

Moving Along in Aviation

EXTENSION OF REMARKS

OF

HON. GEORGE H. BENDER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 13, 1954

Mr. BENDER. Mr. Speaker, travelers using the airplanes are constantly impressed with the remarkable progress being made in airport development, new types of planes, and the increasing speed of air transportation. Uncle Sam has a

real stake in this business, on the basis of our annual direct subsidy of some \$80 million over and above the \$58 million we paid to domestic and international airlines for flying the mail.

Our Government has just received the Air Coordinating Committee report on aviation, and President Eisenhower has adopted it. Under the report, the subsidy is regarded as a temporary item and Government assistance is to be withdrawn regularly and quickly. The existence of much uneconomic competition and duplication of aviation services and facilities, particularly in the area of international flight service is recommended

strongly, and this seems to suggest the combining of some lines even in our domestic service where operations are proceeding at a loss or at very low margins.

We are just on the brink of the real air age, and the expansion of airports, development of private aviation, and the kind of tremendous advances which came to the automobile industry once everyone began to think of owning a car are right ahead. Our Government is more than an observer in this field. It has a huge investment and a vital interest, from both the military and civilian viewpoints, in the growth of aviation.

SENATE

FRIDAY, MAY 14, 1954

(Legislative day of Thursday, May 13, 1954)

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

Dr. Robert G. Lee, pastor, Bellevue Baptist Church, Memphis, Tenn., offered the following prayer:

O God, our God, great art Thou and greatly to be praised. Thy throne is established of old. Thou art from everlasting. Thou holdest this world in the hand of Thine omnipotence and beneath the eye of Thine omniscience. We come to Thee in our weakness, asking Thy strength—in our disturbance, asking Thy peace—in our perplexities, asking Thy prompting. Bless with wisdom and physical strength our President and all members of his Cabinet in these trying days. Help us amid all darkness to see past gloom to glory, past night to renewing dawn, past men and events to Thee. May we have ears to hear and wills to obey Thy commandments. For this Nation make mountainous obstacles low, crooked places straight, and rough places plain. This we ask in the holy name of Jesus, the light of the world. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 13, 1954, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed a bill (H. R. 7434) to establish a National Advisory Committee on Education, in which it requested the concurrence of the Senate.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following the quorum call there may be the customary morning hour for the transaction of routine business, 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 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.

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:

REPORT OF MARITIME ADMINISTRATION, DEPARTMENT OF COMMERCE

A letter from the Secretary of Commerce, transmitting, pursuant to law, the quarterly report of the Maritime Administration, Department of Commerce, on the activities and transactions of the administration under the Merchant Ship Sales Act of 1946, for the period January 1, 1954, through March 31, 1954 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

EXTENSION OF PERIOD OF FREE ENTRY OF PHILIPPINE ARTICLES INTO THE UNITED STATES

A letter from the Deputy Under Secretary of State, transmitting a draft of proposed legislation to provide for an extension on a reciprocal basis of the period of the free entry of Philippine articles into the United States (with an accompanying paper); to the Committee on Finance.

ISSUANCE OF CONSOLIDATED DEBENTURES BY CENTRAL BANK FOR COOPERATIVES AND REGIONAL BANKS FOR COOPERATIVES

A letter from the Governor, Farm Credit Administration, Washington, D. C., transmitting a draft of proposed legislation to authorize the Central Bank for Cooperatives and the regional banks for cooperatives to issue consolidated debentures, and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered relating to several aliens who have been found admissible into the United States (with accompanying papers); to the Committee on the Judiciary.

MEMORIAL

The PRESIDENT pro tempore laid before the Senate a telegram in the nature of a memorial from the Citizens Virgin Islands Organic Act Reform Committee, of St. Thomas, V. I., signed by Marjorie Weston, chairman, remonstrating against the present proposed organic act for the Virgin Islands, which was referred to the Committee on Interior and Insular Affairs.

TAXATION OF UNION PENSIONS—RESOLUTION OF ST. PAUL, MINN., TYPOGRAPHICAL UNION NO. 30

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a resolution adopted by St. Paul Typographical Union No. 30, protesting taxation of union pensions, be printed in the Record and appropriately referred.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the Record, as follows:

Whereas the International Typographical Union has practiced benevolence and fraternalism for over 100 years; and

Whereas the International Typographical Union has paid over \$100 million in pensions to its sick and superannuated members; and

Whereas the International Typographical Union pioneered in creating pensions for members unable to work because of age or disability; and

Whereas over 9,000 retired printers and mailers depend upon ITU pension payments for the necessities and little comforts of life; and

Whereas in 1934, and for 20 years thereafter, the Department of Internal Revenue considered ITU pensions charitable and therefore not taxable; and

Whereas the administration now in office favors tax concessions amounting to billions of dollars for the wealthy holders of corporate stocks; and

Whereas this year the Department of Internal Revenue officially ruled pensioners must include ITU pension payments received as taxable income when computing their income taxes for 1954; and

Whereas neither the national budget nor the scales of justice can be balanced by taking pennies from pensioners and giving millions to millionaires: Therefore, be it

Resolved, That St. Paul Typographical Union No. 30, at this regular union meeting, go on record as protesting as discriminatory, uncharitable, and unfair the ruling made by the Internal Revenue Department which places taxes on union pensions; and be it further

Resolved, That the officers of St. Paul Typographical Union send copies of this resolution to Minnesota Members of both Houses of Congress, and the Minnesota Union Advocate.

REINSTATEMENT OF LAPSED NATIONAL SERVICE LIFE INSURANCE POLICIES—RESOLUTION OF HALVARSON-BOWERS POST 187, VETERANS OF FOREIGN WARS, MINNEAPOLIS, MINN.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a resolution adopted by the Halvarson-Bowers Post No. 187, Veterans of Foreign Wars, Minneapolis, Minn., relating to reinstatement of lapsed national service life insurance policies be printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
HALVARSON-BOWERS POST NO. 187,
Minneapolis, Minn., May 6, 1954.

Hon. Senator HUBERT HUMPHREY,
United States Senate,

Washington, D. C.

DEAR SENATOR: Halvarson-Bowers VFW Post No. 187, in Minneapolis, passed a resolution in their last regular meeting.

Resolved, That Veterans of World Wars I, II, and Korean veterans be given an opportunity to reinstate their lapsed national service life insurance policies. Many veterans due to financial stress or other factors had to drop their policies. We urge you as Senator from Minnesota to investigate possibilities of having legislation introduced or if already introduced to be supported by you that these men may reinstate their insurance policies without undue delay and red tape.

Thanking you for any and all help you may be able to give.

Your very truly,

WILFRED W. BOCHE,
Adjutant.

OBSCENE PUBLICATIONS—RESOLUTION OF CITY COUNCIL OF ST. PAUL, MINN.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a resolution adopted by the St. Paul City Council with regard to obscene publications, be printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Resolved by the mayor and the council of the city of St. Paul, That the representatives in the Congress of the United States from the State of Minnesota are hereby petitioned by said mayor and city council on behalf of the citizens of the city of St. Paul to take all steps that these honorable

representatives can take in the National Government to put a stop to the distribution of salacious and obscene books, magazines, comic books, and publications of any and all types whatever which deal in salacious and obscene presentation of printed or pictorial matter which, by reason of being a movement in interstate commerce, are now entering this State and city and are being prominently displayed for sale and sold in the city of St. Paul; be it further

Resolved, That the city clerk be and she hereby is directed to send a copy of this resolution to the honorable Senators and the honorable Representatives in the House of Representatives of the United States of America.

Adopted by the council May 4, 1954.

Approved May 4, 1954.

JOHN E. DAUBNEY,
Mayor.

UKRAINIAN INDEPENDENCE—RESOLUTIONS OF MINNEAPOLIS, MINN., BRANCH OF UKRAINIAN CONGRESS COMMITTEE OF AMERICA, INC.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a series of resolutions adopted at the annual Ukrainian Day by the Minneapolis branch of the Ukrainian Congress Committee of America, Inc., be printed in the RECORD and appropriately referred. I want to commend the continuous efforts of the Ukrainian people to resist the yoke of Communist oppression.

There being no objection, the resolutions were referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

We, the Ukrainians, gathered together on this day to celebrate the 36th anniversary of the union of all the lands occupied by the Ukrainian people into one independent state, proclaim the following:

1. The Ukrainian Parliament—the Ukrainian Central Council—expressing the will of the Ukrainian people, on January 22, 1918, in the capital city of Kiev, proclaimed the independence of the Ukrainian National Republic.

2. On January 22, 1919, the Government of Ukraine, expressing the will of its population, proclaimed the union of all parts of Ukraine into one independent and sovereign state.

3. In the Russo-Ukrainian war which the Communist Moscow started against the young Ukrainian Republic, Muscovites occupied the country and enslaved Ukrainians by forcing upon them the Muscovite Communist dictatorship.

4. The Ukrainian people never acquiesced to this occupation and constantly conducted and still are waging the fight of liberation of Ukraine from communism and the Muscovite imperialism. This fight is being waged on all lands of Ukraine in different forms: as a passive resistance and as an armed conflict which is being conducted by the Ukrainian Insurgent Army (UPA).

5. The Muscovite Communist Government, knowing that the Ukrainian nation never will abandon its fight for independence, is forced to falsify the history of the Ukrainian people, in order to discredit the strife of the Ukrainians for independence.

6. By the order of the Communist Party of the U. S. S. R. a huge celebration of the 300th anniversary of the treaty of Pereyaslav is being organized. Following the ratification of this treaty, Moscow, using subterfuge, deceit, and force, gradually changed the military alliance between Hetman Bohdan Khmelnytsky, the head of the Ukrainian state, and the Muscovite Tsar Alexy into a

military occupation, thus brutally destroying the sovereignty of Ukraine. In the same way now Moscow, under the Communist leadership, is destroying the independence of Poland, Hungary, Rumania, Bulgaria, Czechoslovakia in Europe and of some countries in Asia. At present the Muscovite Communists are trying to convince the world that the Ukrainian people, on their free will 300 years ago, united forever with the "great" Russian people and thus "had chosen the only right way in their fight with the intruders."

7. By this huge and noisy celebration of the 300th anniversary of the treaty of Pereyaslav, the Muscovite Communist Government is trying to show to the world the insperability of Ukrainians from Russia. Toward this end the Muscovites falsify the history of the Ukrainian people.

8. By this falsification of the historical facts Moscow is trying to inflict a spiritual and political harm to the Ukrainian people, harm which can be compared to that done during the famine of 1933.

9. These actions of the Russian Communists are finding support among the Russian-American anti-Communist groups. These groups, defending the imperialist interests of the Russian Empire, are trying to coerce the American principles of freedom and independence. Contrary to the principles of the American democracy they are opposing the independence of Ukraine and of other oppressed nations.

10. We firmly believe that the principles of freedom and independence have the same meaning for all nations. For the Ukrainians these ideals can be safeguarded only by the Ukrainian National Republic whose independence was proclaimed by the Ukrainian Parliament, the Ukrainian Central Council, on January 22, 1918.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BUSH, from the Committee on Public Works:

S. 3090. A bill to authorize the transmission and disposition by the Secretary of the Interior of electric energy generated at Falcon Dam on the Rio Grande; without amendment (Rept. No. 1340).

By Mr. SALTONSTALL, from the Committee on Appropriations:

H. R. 8583. A bill making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes; with amendments (Rept. No. 1339).

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

INDEPENDENT OFFICES APPROPRIATION BILL, 1955—REPORT OF A COMMITTEE

Mr. SALTONSTALL. Mr. President, from the Committee on Appropriations, I report favorably, with amendments, the bill (H. R. 8583) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes, and I submit a report (No. 1339) thereon. I ask the President pro tempore to note that this report was submitted at 12:21 p. m. today.

The PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar; and the Chair notes the time the report was submitted.

BILLS INTRODUCED

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

By Mr. LANGER:

S. 3459. A bill to amend sections 2151, 2153, 2154, 2155, and 2156 of title 18, United States Code, relating to sabotage; and
S. 3460. A bill for the relief of Mr. Ado Cristante; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 3461. A bill for the relief of Boleslaw Glowczynski; and
S. 3462. A bill for the relief of Mrs. Sarah Amren Janson; to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself and Mr. DOUGLAS):

S. 3463. A bill to amend section 9 (h) of the National Labor Relations Act, as amended; to the Committee on Labor and Public Welfare.

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

HOUSE BILL REFERRED

The bill (H. R. 7434) to establish a National Advisory Committee on Education, was read twice by its title, and referred to the Committee on Labor and Public Welfare.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO INDEPENDENT OFFICES APPROPRIATION BILL

Mr. SALTONSTALL submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8583) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 23, line 2, after the semicolon, insert the following: "the salary of a special counsel which shall be the same as the basic rate of compensation established for the heads of the constituent agencies of the Housing and Home Finance Agency."

Mr. SALTONSTALL also submitted an amendment intended to be proposed by him to House bill 8583, making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes, which was ordered to lie on the table and to be printed.

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

Mr. SALTONSTALL submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8583) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 47, line 5, after the word "care" insert the

following: "Provided, That no part of this appropriation shall be available for outpatient dental services and treatment, or related dental appliances with respect to a service-connected dental disability which is not compensable in degree unless such condition or disability is shown to have been in existence at time of discharge and application for treatment is made within 1 year after discharge or by March 31, 1955, whichever is later: *Provided further*, That this limitation shall not apply to adjunct outpatient dental services or appliances for any dental condition associated with and held to be aggravating disability from some other service-incurred or service-aggravated injury or disease."

Mr. SALTONSTALL also submitted an amendment intended to be proposed by him to House bill 8583, making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes, which was ordered to lie on the table and to be printed.

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

EXTENSION OF STATUTE OF LIMITATIONS WITH RESPECT TO CERTAIN CRIMINAL PROSECUTIONS—ADDITIONAL COSPONSOR OF BILL

Mr. WILLIAMS. Mr. President, on April 15, 1954, on behalf of myself and a number of other Senators, I introduced the bill (S. 3310) to extend from 3 to 5 years the time within which certain criminal prosecutions may be commenced. I did not know at the time that the Senator from Maryland [Mr. BURLER] had introduced a somewhat similar bill a few weeks prior thereto.

After conferring with the Senator from Maryland, I ask unanimous consent that, if and when the committee reports Senate bill 3310 to the Senate, the name of the Senator from Maryland appear on the bill as a cosponsor.

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

PRINTING OF REVIEW OF REPORTS ON NORFOLK HARBOR AND THIMBLE SHOAL CHANNEL, VA. (S. DOC. NO. 122)

Mr. MARTIN. Mr. President, I present a letter from the Secretary of the Army, transmitting a report dated February 19, 1954, from the Chief of Engineers, Department of the Army, on a review of reports on Norfolk Harbor and Thimble Shoal Channel, Va., pursuant to resolutions of the Committee on Public Works dated June 17, 1949, and October 14, 1949, respectively, and I ask unanimous consent that it be printed as a Senate document, with illustrations.

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

PERSONAL STATEMENT BY SENATOR FULBRIGHT

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that I may speak at this time for 1 minute, in regard to a statement affecting myself, which ap-

peared this morning in one of the newspapers.

The PRESIDENT pro tempore. Without objection, the Senator from Arkansas may proceed.

Mr. FULBRIGHT. Mr. President, I wish, for the RECORD, to correct a lie printed in the Washington Post of this morning. The lie is carried in the column of the unsavory character called George Sokolsky, one of the commentators inherited by the Post from the Times-Herald. The lie appears in the column as follows:

Senator JOHN McCLELLAN faces a tough primary fight in Arkansas. Senator FULBRIGHT and former Gov. Sidney S. McMath have joined forces against him, FULBRIGHT supporting McMath.

The writer, of course, knew when he wrote this falsehood that it was false, for he originated it. I have not joined forces with former Governor McMath against Senator McCLELLAN, and have made this quite clear in Arkansas. The people of Arkansas are quite capable of making their choice in this matter without my advice.

I should like to suggest to the Washington Post that it should not permit its pages to be used for the continuing dissemination of lies manufactured by this man. Furthermore, I think it owes it to its readers to make a thorough investigation of the past record of this man and to publish it, so that all who are subjected to his propaganda may know the character and reliability of its source. It is difficult enough to discover the truth when people are honestly trying to do so; it is impossible when the pages of the press are permeated with deliberate lies.

THE ST. LAWRENCE SEAWAY

Mr. WILEY. Mr. President, yesterday there was enacted into law the Wiley bill, S. 2150, for completion of the Great Lakes-St. Lawrence Seaway. It has now become Public Law 358 of the 83d Congress.

A most impressive and historic ceremony occurred as the curtain was rung down on the 30-year-old struggle for the enactment of this legislation. I hold in my hand the text of the release issued from the White House on the occasion of President Eisenhower's signing of the law. I ask unanimous consent that its text be printed in the RECORD.

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

REMARKS OF THE PRESIDENT, SENATOR WILEY, AND SENATOR FERGUSON, AND REPRESENTATIVE DONDERO AT THE SIGNING OF THE ST. LAWRENCE SEAWAY BILL, THE CONFERENCE ROOM OF THE WHITE HOUSE, MAY 13, 1954

Congressman DONDERO. Mr. President, the people of the United States, through their Congress, have determined that they will participate with their good neighbor to the north, Canada, in the construction of the St. Lawrence Seaway. It has been the dream of many decades. It is one of the greatest waterways in the world, and will be one of the great arteries of commerce in the world. I think that it will contribute much to the economic welfare and also to the national defense of both the United States and Canada.

Mr. President, five of your predecessors advocated and endorsed the building of the St. Lawrence Seaway. It has been delayed 30 or 40 years, and now under your great leadership this mighty project, the master project of the North American Continent, is to become a reality.

I want to add just one more thought, and that is this: that in the days to come, the American people, the Canadian people, the continent of North America, will receive great benefit from what we are doing now.

I am proud to be a Member of the 83d Congress, to have had some part in bringing this very happy day about, as chairman of the Committee on Public Works of the House of Representatives.

To you, Mr. President, and your administration, must go the credit for bringing about the beginning of this great project. Only one thing remains now to make the seaway an assured fact, and that is your signature to the bill before you.

Senator WILEY. Mr. President, I want to congratulate you. History will now record that at long last the dream—yes; the hope—of countless millions is being fulfilled.

Back of us stands the Ambassador of Canada. It is a symbol that we are united in the greatest effort the two nations ever undertook, in building a waterway here that will mean happiness, health, and prosperity for countless millions to come.

Across the river we have held hands. Now we cannot part. We are one in a great adventure—to build for the future of America.

I congratulate you and the American people.

Senator FERGUSON. Mr. President, Mr. Ambassador, Members of Congress, this is really a great occasion. I know it will be historic because it is a symbol of friendship between the United States and our friend, Canada, to the north.

Coming from Michigan, one of the border States, this has been a dream for many years. Mr. President, when we look at this map we can see that soon transportation can come into the heartland of America. Transportation, whether it be by ship, plane, railroad, truck, or automobile is the lifeblood of commerce and trade. And I know that history will say that we today were looking into the future.

It means a better United States, and a better world, I am sure. This occasion is really one that we can all be happy about—that this administration could bring this about.

The PRESIDENT. I am very happy, in the presence of this distinguished company, to sign this bill.

I think it is particularly fortunate that we have with us the Ambassador from Canada, because this bill is intended to set in motion the great project which will operate to the benefit of both our countries.

This marks, of course, the legislative culmination of an effort that has taken 30 years to reach this point. Now work can begin on the great project itself. That work, we all hope, will progress rapidly without interruption to a successful completion, so that the benefits of this great project can come to all our people on both sides of that great river.

Mr. FERGUSON. Mr. President, I ask unanimous consent to have printed at this point in the RECORD, following the remarks of the Senator from Wisconsin, an editorial on the St. Lawrence Seaway, published in the New York Times.

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

HANDS ACROSS THE RIVER

When President Eisenhower signed the St. Lawrence Seaway bill yesterday he used nine pens. This sort of thing is customary. No President dreams of signing any important

bill with one pen. But there was one compelling symbol in the pens the President used yesterday. Three of them contained wood recovered from old Fort Detroit, which was the last of three forts reluctantly and belatedly surrendered by the British after the Revolutionary War. These pens—and indeed the whole ceremony—stood for the warmest friendship between Canada and the United States. An American may feel that in some picturesque way he goes abroad when he crosses into the Province of Quebec, but except for some simple boundary controls we are hardly aware when we pass back and forth between the two countries. We rejoice in each other's prosperity and in time of tribulation we are united.

The seaway is, of course, more than a symbol. It will be 27 feet of water in a channel which has had only 14 feet. Eventually it will carry commercially viable oceangoing vessels into any Great Lakes port that will provide the necessary facilities. It will bring the Atlantic into the heart of the continent. There will be problems in all this. Our own port of New York and other ports will be somewhat affected, as readers of today's and subsequent Times news columns will be reminded. But there is something that sweeps the imagination in this spectacle of two nations controlling a boundary river by joint labor and joint contributions for their mutual benefit. Hands across the river is an excellent supplement to hands across the sea. And in this case we may be able to say that though blood is thicker than water, water can still unite us.

Mr. CORDON. Mr. President, I wish to state for the RECORD that the signing of the St. Lawrence Seaway Act as of yesterday was a milestone; and it represents, to my mind, and, I am sure, to the mind of others who are acquainted with the history of the St. Lawrence Seaway project and the passage of the seaway bill by the present Congress, as contrasted with the failure of the passage of the bill in previous Congresses, the diligence of the leadership the Senator from Wisconsin [Mr. WILEY] has shown in connection with it. It is a monument to his leadership and diligence. Personally, I wish to congratulate him on the the floor of the Senate for the final success of the measure.

Mr. WILEY. I thank the Senator from Oregon.

SIXTH ANNIVERSARY OF THE CREATION OF THE STATE OF ISRAEL

Mr. IVES. Mr. President, 6 years ago today, a people's fervent dedication to the same ideals we in this country hold dear found its culmination in the creation of the State of Israel.

Throughout history there have always been men whose courage and determination have carried forward the cause of freedom, so that the spirit of mankind might achieve new heights of liberty and dignity. In this forward march of democracy, Israel is today one of the world's leaders.

On the anniversary of its founding, I send to its people and its friends my solemn good wishes. May these next years bring to the State of Israel and to all the world an era of abiding peace and tranquillity.

AN EDUCATOR COMMENTS HEARINGS ON U. N. CHARTER

Mr. WILEY. Mr. President, tomorrow, May 15, the Senate Foreign Relations

Subcommittee on the U. N. Charter will hold a hearing in Greensboro, N. C. On Monday, June 7, the same subcommittee will hold a hearing in Louisville, Ky. It is my privilege to serve as chairman of this subcommittee. I wish to say that I have been profoundly gratified by the tremendous outpouring of public interest in these field hearings on this important issue.

I hold in my hand the text of a letter which came to me from a professor of one of the great educational institutions of Wisconsin. He expressed certain reactions to the idea of going out to the grassroots and hearing directly from the American people themselves—reactions which I think are worthy of note by the Senate. I offer them now, not because they happen to praise this particular subcommittee, but because I think they express certain principles which are fundamentally sound.

I ask unanimous consent that the text of the letter be printed at this point in the body of the RECORD.

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

APRIL 21, 1954.

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

DEAR SENATOR WILEY: Your most kind letter thanking me for my testimony before your subcommittee arrived just when I was about to write to you. I intended to express once more my appreciation for having had the opportunity to present to you and your colleagues some suggestions on the question of changes in the United Nations Charter.

But I would also like to emphasize one point which in my opinion has been neglected. The idea of your subcommittee to go to the people will bear fruit in more than one way. It is certainly of great value to you, Members of the Senate, to learn about the various currents of public opinion by holding sessions at places outside Washington. But it is of at least the same importance that "we, the people," are getting acquainted with our Senators at work. You are giving one of the most precious services to the improvement of public relations between Congress and the public through your visits to cities all over the country. We are used to Senators reporting to their constituents or speaking in their States around election time. But when did we have so far an opportunity to see Senate committees at work?

I must tell you that I was deeply impressed by the way you and Senators GILLETTE and MANSFIELD handled the meeting, by your concentrated listening to the many voices that were talking to you, and by your questions and comments which were pertinent, to the point, and most instructive for the audience. I was certainly not the only one who admired you gentlemen.

Newspaper reports about the proceedings of the Senate and its committees are often so distorted, with emphasis on the sensational aspect and not on the creative work done by the Senate, that we do not receive an adequate understanding of the activities of our Senators as individuals and of our Senate as a body.

You gentlemen have helped us to correct our wrong ideas, to become proud of our Senate and to gain an increased respect for our Senators. You have contributed to eliminating the foolish connotation so often associated with the word "politician." I myself am regularly discussing in my classes the reasons why this word has lost its objective meaning, and am trying to explain that a democracy is in need of individuals who

choose politics as their profession. But if and as long as the wrong connotation continues to shape the ideas of the people about political activities and politicians, the best of our young men and women will be deterred from entering politics. This is a dangerous trend indeed.

In view of these considerations you will perhaps understand why I am particularly grateful to you for having your sessions held at places outside of Washington. It is public-relations work in the best sense of the word and means the opening of new channels of communication between Congress and the people.

Thanking you and your colleagues again for your fruitful initiative, I am,

THE GENEVA CONFERENCE

Mr. SMITH of New Jersey. Mr. President, we are all aware of the tension today in Geneva. We have been disturbed by the reports with respect to the French elections, and we do not yet know how to diagnose them.

There was published in the New York Herald Tribune of yesterday a fine article entitled "Willingness To Compromise With Communists Deplored," which was written by David Lawrence. I wish to emphasize the strong feeling which I have, and which I know many of my colleagues have, that there can be no compromise with sound moral principles.

In Geneva today representing our Government are two distinguished members of our Department of State, namely, Gen. Walter Bedell Smith, Under Secretary of State, and Mr. Walter S. Robertson, Assistant Secretary of State. As Senators know, the Secretary of State is in Washington.

I wish to emphasize a point which Mr. David Lawrence makes by reading from his column. Later I shall ask unanimous consent to have the entire article printed in the RECORD. Mr. Lawrence says:

It is Communist China and Soviet Russia who, together, under the guise of championing the cause of independence for the nations of Indochina, are actually seeking a way to obtain control of those new states as puppets in the march of Communist imperialism.

That is the theme which is emphasized throughout the entire article.

Mr. Lawrence concludes with this statement:

Only by steadfast adherence to a great moral purpose with unflinching courage can these evil tendencies be curbed, and it is a matter of great pride that the President and Secretary of State are backing up the delegation here as Under Secretary Bedell Smith presents an unyielding front in behalf of America's moral leadership in the world.

Mr. Lawrence is in Geneva reporting daily on the occurrences there. I commend him for this fine article. So far as I am concerned, I wish to give a vote of confidence to Under Secretary Walter Bedell Smith and Assistant Secretary Walter Robertson for holding aloft the banner of moral purpose at this time of great tension.

I ask unanimous consent that the entire article be printed in the RECORD at this point as a part of my remarks.

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

WILLINGNESS TO COMPROMISE WITH COMMUNISTS DEPLORED

(By David Lawrence)

GENEVA, May 12.—Here at the confluence of world diplomacy it is possible to discern more clearly than anywhere else the deterioration of moral and spiritual values which has set in nowadays among the so-called intellectual segments of public opinion in various countries.

Here, for example, moral principle is treated by too many persons as just an obsolete habit of expression characteristic of bygone days. It is cynically cast aside as too old-fashioned for this new era of the sophisticated in our midst or too bothersome to maintain if creature comforts and the supposed benefits of materialism are to be enjoyed.

Here the words of public men are examined, not for the strength of purpose they may exhibit but for the weaknesses and cringing retreats they may presumably conceal.

Here the words "compromise" and "bargaining" are constant in the vocabulary of the press, as if Communist imperialism with its aggressive adventures in Korea and Indochina were just another philosophy—a sort of conscientious political belief—and not the evil force that springs from cruel and unmoral men.

IDEA OF COMPROMISE

Here the idea that there can be a compromise with the satanic masters of intrigue and infiltration into the free world seems to be accepted by so many Europeans—and not a few American commentators back home—that it makes one wonder if the decadence which always precedes the fall of any empire has not begun to eat like a cancer into some of the democracies of the so-called free world.

A good example of reckless disdain for principle is to be found in the tendency here to assume that the United States does not mean what it says when it seeks a means of establishing peace in the world, but that it is really bent on prolonging the war in Indochina for a war's sake. This is to be expected from Communist newspapermen, but it is remarkable how distorted an impression of America and its ideals are to be derived from so many newspapermen in non-Communist countries in Europe. There seems to be an obsession in some quarters here, on the other hand, that America is ready to agree to give away southeast Asia by one scheme or another, despite everything to the contrary that has been said by President Eisenhower and Secretary Dulles. It is amazing how the words of the President and the Secretary of State are pounced upon and given twisted meanings.

Thus when the President a week or so ago used the phrase "modus vivendi" to express a generality of temporary adjustment, it was seized upon as meaning a willingness to surrender Indochina to the Communists.

Then on Tuesday of this week Secretary Dulles, attempting to be obliging to an inquiring press and in response to a hypothetical inquiry, said that even if Indochina were lost, it would not alter our own position in seeking to build up a collective defense to save southeast Asia. This was transmitted in abbreviated form to Geneva and caused a sensation among the French delegates, who were told by excited European newspapermen that the United States was running out on its ally and was already conceding the fall of Indochina. Promptly the American delegation cabled for the exact text, which, when it arrived, readily reassured French Foreign Minister Bidault, who saw that no such meaning was intended.

If these were isolated instances, it would be understandable, but the tendency seems to be to create situations that either seek to emphasize alleged differences between Mr. Eisenhower and his Secretary of State or between the United States and the French delegation. It is surprising, but the assumption always seems to be that the formal statements issued by the American Government are being or will be superseded by some of the biased meanings read into offhand comments at press conferences.

Such are the mischief-making handicaps which face diplomats who represent the United States nowadays. The highest purposes are beclouded by an atmosphere of wishful thinking here—wishful that America should or must inevitably yield to the Communist pressure and forsake its moral principles. It takes more than ordinary stamina to resist such influences, and it may be noted that the United States is standing firmly on moral principle with respect not only to Korea but also to Indochina.

UNFLINCHING COURAGE

It is Soviet Russia which, by denouncing the United Nations and rejecting its moral authority to supervise free elections in Korea, is deviating from all moral law and the principle of collective security. It is Communist China and Soviet Russia who together, under the guise of championing the cause of independence for the nations of Indochina, are actually seeking a way to obtain control of those new States as puppets in the march of Communist imperialism.

Only by steadfast adherence to a great moral purpose with unflinching courage can these evil tendencies be curbed, and it is a matter of great pride that the President and Secretary of State are backing up the delegation here as Under Secretary Bedell Smith presents an unyielding front in behalf of America's moral leadership in the world.

VISIT TO THE SENATE BY PUPILS OF LAFAYETTE, LA., HIGH SCHOOL

Mr. ELLENDER. Mr. President, I am pleased to announce to the Senate that we have in the galleries today 77 boys and girls of Lafayette High School of Lafayette, La., and 10 of their adult advisers. The boys and girls are all members of the Lafayette a cappella choir, which is under the direction of Kenneth F. Bowen. By holding rummage sales, candy sales, and similar activities, these boys and girls have managed to acquire the money necessary to finance this trip which has brought them from the heart of Louisiana's Acadian country to our Nation's Capital. So far, they have visited many of our Nation's shrines. They have performed in several cities on their way up here. Yesterday, they visited the United States Naval Academy, and today and tomorrow they will see Washington. I am sorry that because there are so many of them, I shall not be able to introduce them individually to the Senate, but I shall ask them to stand and be recognized.

(The visitors rose and were greeted with applause.)

Mr. ELLENDER. Mr. President, I ask unanimous consent that the names of these boys and girls be printed in the RECORD at the conclusion of my remarks.

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

As Presiding Officer of the Senate, and on behalf of the Senate, the Chair welcomes the visitors from Lafayette High School.

The list submitted by Mr. ELLENDER is as follows:

Following is a list of the names of the students from Lafayette High School who were introduced from the floor of the Senate today, as per unanimous consent obtained by Senator ELLENDER this afternoon:

GIRLS

Marlin Albritton, Barbara Bates, Anna Catherine Belle, Patty Lou Bernard, Marlene Boulet, Genevieve Bourgeois, Jackie Burnham, Joy Broussard, Ethel Chachere, Gail Charchere, Elaine Davis, Bertha Lee Domingue, Jean Duhon, Barbara Fleming, Nellie Fournet, Shirley Fournet, Barbara Goldsmith, Pauline Harding, Shirley Hebert, Barbara Hopkins, Pauline Lasserre, Paula Mackey, Elaine Magee, Gerry McManners, Eleanor Mitchell, Jackie Montgomery, Macklyn Mouton, Anne Morgan, Gloria Norman, Lois Patin, Myrna Patin, Barbara Ringe, Patty Robicheaux, Romona Romero, Rhonda Rougelot, Sylvia Savoy, Roylyn Schaeffer, Patricia Shockley, Beth Talley, Anne Taylor, Pat Turner, Lucretia Walker, Margaret Wallace, Edna Worley, Genia Jackson, Jodie Simon.

BOYS

Bob Pickering, Tommy Robichaux, Sidney Simpson, Earl Sanderfur, Jimmy Hebert, Brumby Sessions, Billy Schmitz, Sherry Duhon, Willie Baronet, John Love, Bobby Duplex, Malcolm Hebert, Johnny Latiolais, Richard Gautreaux, Gregory Long, Jim Drobish, Bobby Mine, Larry McCartt, Dickie McCauley, Calvin Bowers, Louis New, Howell Dennis, Harvey Pothier, Joseph Trahan, Hammy Patin, Roy Bernard, Carrol Schexnayder, Bob Hensley, Frederic Hayes, Ernest Geisendorff, Charles Miller, Norton Zeringue.

CHAPERONES

Mr. and Mrs. Gilbert Romero; Mrs. M. H. Walker; Mrs. Earl Turner; Mrs. J. Boring Montgomery; Mrs. Frank Wallace; Mrs. J. F. Taylor; Mrs. Violet Drobish; Mr. Belton Fontenot, Sr., Greyhound driver; Mr. Romaine Hebert, Greyhound driver; Benton Fontenot, Jr., with Air Force in Washington, D. C.

DEFENSE APPROPRIATIONS

Mr. FERGUSON. Mr. President, on May 12, as indicated on page 6434 of the RECORD, the Senator from Michigan and the Senator from South Carolina [Mr. MAYBANK] had a colloquy on the floor of the Senate in relation to the defense budget. At that time I made the following statement:

Mr. FERGUSON. I wish to make it clear on the record that I have no evidence to indicate that there will be an application or evidence presented for a deficiency bill to increase the amount of the present requests. I think it is only fair to the Senate to make that statement.

I was speaking in relation to the present defense budget.

This morning I find in the New York Times a United Press item headed "Hannah Denies Rise in Defense Spending." I ask unanimous consent that it be printed in the RECORD, at this point as a part of my remarks.

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

HANNAH DENIES RISE IN DEFENSE SPENDING

WASHINGTON, May 13.—John A. Hannah, Assistant Defense Secretary, denied today that the administration was planning to increase military spending because of Communist successes in Indochina.

He conceded, however, that a reappraisal of the pared-down budget might be in order if the projected Southeast Asia alliance was formed.

Senator BURNET R. MAYBANK, Democrat, of South Carolina, had said after hearing a secret briefing by Mr. Hannah Wednesday that the Defense Department now believed, in view of the Far East crisis, that it would need more money.

But Mr. Hannah declared that Senator MAYBANK had drawn the wrong conclusion from a "hypothetical question" whether formation of the Asian alliance would require additional funds.

He said the administration had no present intention of seeking more defense money. Other defense sources said the present outlook indicated the military services actually would spend less than the \$37,500,000,000 originally estimated for the fiscal year to start July 1.

THE TENNESSEE VALLEY AUTHORITY—EXPIRATION OF TERM OF GORDON CLAPP, CHAIRMAN

Mr. GORE. Mr. President, the term of Mr. Gordon Clapp, Chairman of the Tennessee Valley Authority, expires next Tuesday at midnight.

As yet, the President has not sent to the Senate the nomination of Mr. Clapp for reappointment, or for his successor.

The time necessary for consideration of the nomination of a new man, should such a nomination be sent to the Senate, means that unless Mr. Clapp is renominated, the TVA will be without a Chairman, at best, for a considerable time.

I have not made a recommendation to the President for the reappointment of Mr. Clapp, or the appointment of anyone else, to the TVA Board of Directors. In fact, I have not, at any time, recommended anyone for appointment to the TVA Board. I have felt, and still feel, that this appointment should be completely nonpolitical.

I am glad to say that I would find the reappointment of Mr. Clapp entirely satisfactory, and I truly believe this is the overwhelming sentiment of the people of the Tennessee Valley. Many thousands of them have manifested such a sentiment by signing petitions in behalf of the reappointment of Mr. Clapp. There can be no question about it.

In view of President Eisenhower's pledge at both Memphis and Knoxville during the campaign of 1952, to maintain TVA at maximum efficiency, I find it strange that the President has not so much as consulted the one man who knows more about TVA than any other—Mr. Clapp—regarding the problems of the agency. I do not wish to be critical. Of course, in fairness, it should be recognized that, in these distraught times, the President of the United States has an intolerable burden. Therefore, I do not wish to be critical, but I do wish, however, to suggest that it might prove beneficial to the President, to the American people who own the TVA, and to the people who are served by TVA, if the President would confer with Mr. Clapp about the problems of the TVA.

In this connection, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks sections 2 (h) and 2 (f) of the Tennessee Valley Act, regarding the qualifications of members of the Board of Directors.

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

Section 2 (h): All members of the Board shall be persons who profess a belief in the feasibility and wisdom of this act.

Section 2 (f): No director shall have financial interest in any public utility corporation engaged in the business of distributing and selling power to the public nor in any corporation engaged in the manufacture, selling, or distribution of fixed nitrogen or fertilizer, or any ingredients thereof, nor shall any member have any interest in any business that may be adversely affected by the success of the Corporation as a producer of concentrated fertilizers or as a producer of electric power.

Mr. HILL. Mr. President, will the Senator yield to me for half a minute?

Mr. GORE. I yield to the distinguished Senator from Alabama.

Mr. HILL. I merely wished to say to the distinguished Senator from Tennessee that I am delighted to hear what he has said about the President conferring with Mr. Clapp. Like the Senator from Tennessee, I realize the burdens which the President of the United States carries today. Several weeks ago I had the privilege of talking personally with the President. At that time I urged him to have a talk with Mr. Clapp. I hope he will do so, as suggested by the Senator from Tennessee.

VISIT TO THE SENATE BY SENIOR CLASS OF CHERAW, S. C., HIGH SCHOOL

Mr. JOHNSTON of South Carolina. Mr. President, there are in the gallery a number of members of the senior class of the Cheraw, S. C., High School. I ask unanimous consent that they be permitted to stand and be recognized.

(The visitors rose and were greeted with applause.)

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the names of these students be printed in the RECORD at the conclusion of my remarks.

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

CHERAW HIGH SCHOOL SENIOR CLASS, CHERAW, S. C.

Ruth Funderburk, Margaret Tarleton, Glenn Williamson, Delilah Little, Thomas Chavis, Marcine Mari, Barbara Anderson, Norma Rollins, Leona Bundy, Daniel Bacot, Duncan Laney, Bobby Cassidy, Barbara Jones, Marilyn Carpenter, William Burr, Rufus Sowell, Evelyn Burke, George Laney, Marvin Massey, Mellie McRae, Dorothy Chapman, Montia Jones, Sarah Brock, John Maynard, Jr., Gerald Duvall, Julian Hodge, Claudius E. Watts III, Jo Ann Quick, Margaret Ratliff, Sybil Kindall, Patricia McQuaile.

The PRESIDENT pro tempore. On behalf of the Senate, the Presiding Officer of the Senate bids the group from South Carolina welcome.

STATEHOOD FOR HAWAII AND ALASKA

Mr. SMATHERS. Mr. President, at the present time there is in Washington a large delegation from the Territory of Hawaii seeking to influence Representatives and Senators and the White House to support their request for statehood.

There is also present in Washington a large delegation from the Territory of Alaska in support of statehood for that Territory.

Recently I have received many letters and telegrams from people in both Territories who are not in favor of the delegations being here. The writers object to delegations coming here at the taxpayers' expense.

I shall read two such letters and then I shall ask unanimous consent to insert the remainder of them in the RECORD.

The first letter, published in the Honolulu Star-Bulletin, is written by Lt. Comdr. W. R. Spear, United States Navy, retired. It reads:

WHY NOT SEND THE OPPOSITION?

EDITOR, THE STAR-BULLETIN:

I am not in favor of sending the statehood delegation to Washington unless an equal number of those opposed to statehood also be sent. After all it's all of us who pay the taxes from which the expenses for the junket are paid and I think it only fair that the opposition be represented as well as those favorable to statehood.

I think the whole idea of this delegation is just another silly idea of the Governor and the Delegate.

W. R. SPEAR,

Lieutenant Commander, United States Navy (Retired).

HONOLULU, T. H.

The other letter I should like to read was written by Miss Kathleen D. Mellen. It reads:

WOULD DO A JOB ON STATEHOOD

EDITOR, THE ADVERTISER:

Through the columns of your esteemed newspaper I would like to make public application for membership in the honorable group leaving soon for Washington on behalf of statehood. I cannot claim mental qualifications equal to many of those who are going but, on the other hand, perhaps some of the things I have not done might be considered in my favor by Congress.

For instance, I have not burned southern Congressmen in effigy (as did the students of the University of Hawaii), nor have I picketed the Federal building carrying placards insulting to Congress (as did the professional statehooders). I have not heaped abuse upon United States Senators, nor have I gone into their home districts and attempted to poison their constituents against them (as is now proposed by statehood leaders). And, having poured out my tax dollars for these statehood joyrides for the past 10 years, I would be able to speak feelingly on the subject of taxation without representation.

So, in view of these qualifications, I am humbly asking that I be included among the great privileged ones when the special plane chartered for this purpose sets forth on its noble mission.

If I am so honored, I can assure the people of Hawaii that I shall do a job on statehood (of which we are now getting an excellent foretaste).

KATHLEEN D. MELLEN.

MAY 3.

Mr. President, I ask that the remaining letters be printed in the body of the RECORD at this point in my remarks.

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

REEXAMINE STATEHOOD QUESTION

EDITOR, THE ADVERTISER:

For several years I have considered the pros and cons of statehood for Hawaii. I finally decided that, in spite of some apprehension about our political preparedness, our dignity and stature demanded statehood.

The recent convening of the legislature and the insistence of our representatives on their junket to Washington, in spite of the evident disapproval of the people and the advice of our well-wishers, has now convinced me that in our present condition of political immaturity, the granting of statehood at this time would be a real disservice to Hawaii.

I suggest that all devoted to the best interest of Hawaii reexamine the entire picture, in view of recent developments, and if they feel as strongly as I do, let their opinions be known in Washington.

In a real desire to serve Hawaii, I am sending a copy of this letter to Senator BUTLER.

FRED R. WOLFE.

FEELS SHE'S QUALIFIED FOR WASHINGTON TRIP

EDITOR, THE STAR-BULLETIN:

There is a confusion in our legislature as to who other than the legislators should go on the spring (jaunt) to Washington. As it is a free trip, to a free country, I feel that I am qualified. I am an American. I am of the third generation of four generations born in the Territory.

My grandfather before me fought for what he believed was right, against those influences who tried to dispose of Queen Liliuokalani's reign. I am now fighting for what I believe is right, "statehood for Hawaii."

I am a housewife and a mother, who can find room in my suitcase for pencil and pad to take notes of the tour, which would be highly educational as a subject to talk of at PTA meetings, etc. I believe I am not any more ill prepared or untrained than our legislature.

With the above endowments, I hope to qualify for this spring jaunt, as I need the vacation. I am sure my husband can take care of the family while I go out fighting for statehood.

Mrs. MARY M. KLEMM.

SUGGESTION FOR THE WASHINGTON TRIP

EDITOR, THE STAR-BULLETIN:

Why not do this statehood junket up real good and send Kum, Ross, Sakai, and Director Gallas along with the rest? There is no doubt whatsoever that this group could engage in some extracurricular activity and offer their services to the Senate committee now holding the McCarthy hearings. They could show the Senate some new tricks they have learned during the Marcotte hearings, especially in the finer art of procrastination and doubletalk.

There is not a shadow of a doubt that this group would do up our chances for statehood in fine fashion.

E PLURIBUS UNUM.

Mr. SMATHERS. Mr. President, finally, I ask unanimous consent to have printed in the RECORD at this point an excerpt from the front page of the Honolulu Star-Bulletin of May 5, 1954, including the headline.

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

VFW OPPOSES CAPITAL TRIP AS WASTE—SOME HOUSE MEMBERS HAVE DROPPED OUT

The smoldering dispute over the Washington statehood delegation flared again today as plans, nearly complete, showed about 57 will make the trip.

Latest blows and moves were:

1. The Hawaii Department of Veterans of Foreign Wars rejected an invitation to send a delegate with the blunt assertion that while it favors statehood it does not want taxpayers' money wasted.

2. Governor King released a report quoting six members of Congress as expressing favorable reactions to the trip.

3. The Zonta Club of Honolulu wrote an open letter to the Governor and the Statehood Commission declaring the trip seems ill-timed and ill-advised and asked postponement or cancellation of it. The organization is on record for statehood, the letter said.

PROPOSAL TO SEND STATEHOOD DELEGATE REJECTED BY VFW

The Hawaii Department of Veterans of Foreign Wars, last night in a top-level meeting flatly rejected the idea of sending a VFW member to Washington on a statehood trip at taxpayers' expense.

In a bluntly worded resolution, the department council, which represents all VFW posts in Hawaii went on record as being "definitely and emphatically opposed to such a delegation."

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, has the morning hour been concluded?

The PRESIDENT pro tempore. The morning hour has been concluded.

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

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

EXECUTIVE MESSAGE REFERRED

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States withdrawing the nomination of Albert W. Mulley to be postmaster at Anthony, N. Mex.-Tex., which was ordered to lie on the table.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. SMITH of New Jersey, from the Committee on Labor and Public Welfare:

J. D. Leggett and several other candidates for personnel action in the Regular Corps of the Public Health Service.

By Mr. MILLIKIN, from the Committee on Finance:

Gustav F. Doscher, Jr., of South Carolina, to be collector of customs for customs collection district No. 16, with headquarters at Charleston, S. C.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

Mr. KNOWLAND. The Executive Calendar contains routine appointments in the Navy and in the Marine Corps, which have been favorably reported but not printed on the calendar. I ask that they be considered.

The PRESIDENT pro tempore. The clerk will state the nominations on the Executive Calendar.

APPOINTMENTS IN THE NAVY AND IN THE MARINE CORPS FAVORABLY REPORTED BUT NOT PRINTED ON THE CALENDAR

The legislative clerk read as follows:

Nominations of Bradford L. Abele and 581 other persons for appointment in the Navy and in the Marine Corps; (530 in the Navy and 52 in the Marine Corps).

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the nominations be confirmed en bloc.

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

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith of the nominations confirmed today.

LEGISLATIVE SESSION

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

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

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1274, House Concurrent Resolution 197.

This is the concurrent resolution which the Senator from Nevada [Mr. McCARRAN] brought before the Senate on May 10, and it was agreed to at that time, and the action was subsequently rescinded. The resolution is somewhat similar to another measure which was sponsored by the Senator from Utah [Mr. WATKINS], and considered by the Committee on the Judiciary. That measure was reached on the last call of the calendar, but at the time there was objection made to it by the minority calendar committee. I understand that that objection was withdrawn and the measure was passed.

Last evening, in taking up several bills, there was some confusion on my part, and I thought the concurrent resolution previously brought up by the Senator from Nevada [Mr. McCARRAN] was under consideration, and my explanation last evening referred to House Concurrent Resolution 197, which I now ask be considered by the Senate. Actually, the bill under consideration and passed last evening was S. 1303, granting naturalization to certain former citizens of the United States.

I discussed the matter with the minority leader today, and he stated that the minority had no objection to either measure. The explanation on the other measure, S. 1303, was made last evening by the Senator from Utah [Mr. WATKINS] when the bill was considered.

Therefore, I now ask unanimous consent that the Senate proceed to the consideration of Concurrent Resolution No. 197. The Senator from South Carolina [Mr. JOHNSTON] will speak on it.

The PRESIDENT pro tempore. The Secretary will state the concurrent resolution by title.

The LEGISLATIVE CLERK. A concurrent resolution (H. Con. Res. 197) favoring the granting of status of permanent residence to certain aliens.

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

There being no objection, the Senate proceeded to consider the concurrent resolution which had been reported from the Committee on the Judiciary with an amendment, on page 25, at the end of the concurrent resolution to add the following:

A-6661397, Dimian, Bella Berca.
A-7903809, Saganich, Giuseppe Bruno or Joseph Bruno Saganich or Saganey.
0501-19738, Wang, Ting Pang or T. P. Wang.
A-7609403, Yen, Ung Yu.
A-7609402, Yen, Gwendoline Tsunglan nee Hwang.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

Mr. JOHNSTON of South Carolina. Mr. President, it will be noticed that the committee amendment adds the names of five persons to the concurrent resolution on page 25. All the other names were in the concurrent resolution as it came from the House. The resolution is reported unanimously by the committee. The additional five names were submitted by the Department of Justice, with the request that they be included in the list of names contained in the concurrent resolution.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

DISTRIBUTION OF FISHERY PRODUCTS

The PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business, which is S. 2802.

The Senate resumed the consideration of the bill (S. 2802) to further encourage the distribution of fishery products, and for other purposes.

Mr. DUFF obtained the floor.

Mr. KNOWLAND. Mr. President, will the Senator from Pennsylvania yield so that I may suggest the absence of a quorum? The distinguished Senator from Delaware [Mr. WILLIAMS] stated he would like to be on the floor when the debate opened on the unfinished business.

Mr. DUFF. I yield for that purpose.

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

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

The legislative 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.

The PRESIDENT pro tempore (Mr. PAYNE in the chair). Without objection, it is so ordered.

Mr. DUFF. Mr. President, the purpose of this bill, S. 2802, is to earmark 30 percent of the gross receipts from duties collected under the customs laws on fishery products for transfer by the Secretary of Agriculture to the Secretary of the Interior to be maintained as a separate fund. This fund is to be used, first, to promote the free flow of domes-

tically produced fishery products in commerce by conducting a fishery educational service and fishery technological, biological, and related research programs, the moneys so transferred to be also available for the purchase or other acquisition, construction, equipment, operation, and maintenance of vessels or other facilities necessary for conducting research as provided for in this section—

Mr. AIKEN. Mr. President, will the Senator from Pennsylvania yield?

Mr. DUFF. I yield.

Mr. AIKEN. Did the Senator say the funds would be used for the acquisition of vessels?

Mr. DUFF. Yes. I will repeat my statement if the Senator wishes me to do so.

Mr. AIKEN. No. I did not quite hear the Senator's statement when it was first made. I thank the Senator.

Mr. DUFF. Second, to develop and increase markets for fishery products of domestic origin; and, third, to conduct any biological, technological, or other research pertaining to American fisheries.

By prior legislation, section 32 of the act of 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended, appropriated and set apart annually in a special fund an amount equal to 30 percent of the annual gross receipts from all duties collected under the customs laws. This special fund was to be expended by the Secretary of Agriculture to encourage exportation and domestic consumption of agricultural products. Section 2 (a) of the act of August 11, 1939 (53 Stat. 1411; 15 U. S. C. 713c-2), which would be amended by the bill as reported, authorized the Secretary of Agriculture to transfer to the Secretary of the Interior from the special fund established by the 1935 act, outlined above, \$75,000 for use in promoting "the free flow of domestically produced products in commerce by conducting a fishery educational service," and \$100,000 to be used by the Secretary of the Interior "to develop and increase markets for fishery products of domestic origin."

The pending bill, insofar as it pertains to the availability and use of funds, is simply an increase in these amounts to an amount equal to 30 percent of the gross receipts from duties collected under the customs laws from the importation of various fishery products. It is no departure from the methods set forth in the original act and, therefore, presents no novel budgetary aspects.

A limitation on the total amount that may accrue in this fund is found in the proviso:

(e) The separate fund created for the use of the Secretary of the Interior under section 2 (a) and the annual accruals thereto shall be available until expended, except that the balance of the fund shall not exceed \$5 million at the end of any fiscal year, and the Secretary of the Interior shall retransfer the funds in excess of said \$5 million balance to the Secretary of Agriculture to be used for the purposes specified in section 32 of the Act of 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended.

DIFFICULT POSITION OF FISHING INDUSTRY

Throughout the United States, our fishing industry is in an increasingly serious and difficult position. An absence of scientific conservation measures, a

lack of knowledge upon which to base effective conservation, grossly inadequate research, and, as a result thereof, decreased catches, maladjustments to fluctuations in supply, and a lack of improved techniques have all combined to injure this basic American industry.

Statistics from the Fish and Wildlife Service of the Department of the Interior show that the west coast catch of pilchard—sardines—was 1,147,295,000 pounds as late as 1944. Yet, 9 years later, in 1953, it amounted to only 5 million. In 1944 the catch of Alaska salmon was 393,318,000 pounds. Nine years later, in 1953, it was only 220,276,000 pounds.

In the New England States it is the same story. The 1944 catch of cod was 93,756,000 pounds. Nine years later, in 1953, it was estimated at only 31 million pounds, or less than a third. At Gloucester, Mass., over the last 10-year period mackerel has dropped from a high of 32 million pounds a year to a low of between 2 and 3 million pounds. In the same area the annual catch of ocean perch or red fish has dropped in the past 10 years from 177 million pounds to 88 million pounds a year. In recent years prior to this 10-year period their lands of ocean perch have been 250 million pounds a year. The same is true of shad, salmon, and alewife. The major anadromous fish have been on the decline for years. The decline has been due to overfishing, pollution, and the prevention of fish from reaching their spawning grounds due to the lack of adequate fishways. It would seem reasonable to demand that when a dam blocks off a stream and thereby prevents the yearly migration of fish to their spawning grounds it is the duty of those building the dams, whether by public or private enterprise, to restore these water highways by adequate fish ladders, just as it is the duty and obligation of the various municipalities and industries to clean up the polluted waters which likewise prevent migrations as effectively as do dams and other obstructions.

What is true of the decline of aquatic life in the oceans surrounding us and in the streams flowing into the ocean is equally true of the waters of the Great Lakes.

Claude Ver Duin, a representative of the Federation of Freshwater Fisheries from the Great Lakes area, has testified that the fisheries of the three upper Great Lakes, namely, Superior, Michigan, and Huron, are faced with the prospect of a complete collapse because of the invasion of the sea lamprey, a vicious marine predator. The sea lampreys, which have their origin along the east coast, have been found in Lake Ontario for a great many years, but in 1931 the first specimen to be noted west of the Welland Canal was discovered in the Detroit River.

During the next 4 years additional specimens were found in Lake Huron and as far west as Lake Michigan, near Milwaukee, Wis. By 1936 these parasites had succeeded in establishing spawning runs in several Lake Huron streams and badly scarred lake trout begin to appear in the commercial catch. By 1940 the

catch of lake trout in Lake Huron began to decline, and for the first time less than a million pounds of this species was caught. In a period of 8 years the annual production of lake trout from Lake Huron dropped from its normal average figure of a million and a quarter pounds to a mere 2 tons. There have been no lake trout taken from Lake Huron since 1950.

Nineteen hundred and forty-four was the last year in which the Lake Michigan fishermen produced their average number of lake trout, amounting to approximately 6½ million pounds. Each succeeding year showed marked declines in trout production until 1952, when only 1½ tons were produced from the entire lake. Lake Michigan, like Lake Huron, is now devoid of lake trout, the fish that had always been the backbone of the industry up until the advent of the vicious marine predator, the sea lamprey.

The loss of lake trout to lake fishermen now runs approximately \$3½ million a year. The invasion of the Great Lakes by the sea lamprey has so completely upset the balance of nature that new problems are presenting themselves with each passing month.

There is an immediate need for an intensified lamprey-control program. An increased research program which will enable the proper authorities to bring back the lake trout and again establish the balance of nature in the Great Lakes.

COMPETITION OF IMPORTED FISHERY PRODUCTS

The amount of competition which our domestic fishery products industry has to meet from imports of foreign fishery products can be judged best from a study of the gross receipts from duties on fishery products. These gross receipts have increased enormously. In 1940, the total amount was \$4,772,428; by 1952, it had increased to \$11,982,000, an increase of more than 150 percent during the 12-year period. During the same period the value of fishery imports increased from \$40 million to over \$200 million.

The domestic industry, in the meantime, by voyaging farther and farther afield at greater and greater expense for every pound of fish caught, has barely managed to hold the share of the market it had at the beginning of the period. It is thus evident that during a period when the domestic fishing industry has been increasingly in need of assistance in meeting competition from abroad, it has been making increasingly large indirect contributions for purposes unrelated to this need. The pending bill is directed at the correction of this plainly unfair situation. Because the industry's difficulties so largely stem from competition by imports, an appropriate source of supplementary funds for research and development is the revenue derived from those same imports. The earmarking of a portion of this revenue, solely from the imports of fish, would go far toward meeting the fishing industry's most urgent research and development needs.

The cost of production in this country is higher than the cost of production abroad. Duties in a measure compensate for this. Still, our domestic industry is not asking at this time for protection through higher tariffs. It is asking Con-

gress for funds for research, so that it may improve its techniques, increase its catches, and lower its own production costs. It can then compete fairly and squarely with foreign producers. The pending bill would go far toward making this goal an attainable one. The amount of funds involved in the bill is a modest price for this Nation to pay in order to revitalize our domestic fisheries industry.

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

Mr. DUFF. I yield.

Mr. AIKEN. The Senator from Pennsylvania does not wish to leave the impression, does he, that at present no funds are available for research in connection with fish?

Mr. DUFF. No. There is \$175,000, which is most inadequate, as I shall point out later.

Mr. AIKEN. Is it not a fact that the Department of Interior Appropriation Act for the current fiscal year includes an item of \$4,460,000 which is available for this purpose? I think everything which is asked for in the bill which the Senator from Pennsylvania is explaining is already authorized by law. I shall be glad to give the Senator a breakdown of the purposes for which the funds are to be used. Including the \$175,000 to which the Senator has referred, the total amount available this year was almost \$5 million.

Mr. MAGNUSON. For fisheries?

Mr. AIKEN. Absolutely. It was all available for fisheries research, although I would assume that some of it was used for other purposes.

Mr. MAGNUSON. Who did the research?

Mr. AIKEN. Mr. President, will the Senator from Pennsylvania further yield?

Mr. DUFF. I yield.

Mr. AIKEN. This year the amount available for commercial fisheries research—I do not say that all of it was used for fisheries research—aggregated \$4,635,000, consisting of an appropriation of \$4,460,000, and transferred funds of \$175,000. I do not have the breakdown showing how much of this was actually used for fisheries research, but I do have the budget recommendation showing the breakdown proposed for the coming year.

This coming year the budget recommends that about \$3,222,000 of appropriated and transferred funds be used for fisheries research, divided as follows: Branch of Commercial Fisheries, \$353,000 for exploratory fishing; \$282,000 for technological research; \$150,000 for statistics; \$43,000 for economics; \$280,000 for market news; making a total of \$1,108,000 for the Branch of Commercial Fisheries, or \$1,283,000 when the \$175,000 transferred from the Department of Agriculture is included.

The Branch of Fisheries Biology has had recommended for it this year \$1,725,000 for coastal and offshore investigations. In my opinion, that is research. A recommendation has been made for \$214,000 for shellfish investigations. Thus a total of \$1,939,000 has been recommended by the Bureau of the Budget to be appropriated for the Branch of Fisheries Biology.

The total amount recommended in this year's budget to be available for the activities of these branches is \$3,222,000.

The information I have just given came this morning from the Bureau of Fisheries and was compiled by the counsel of the Senate Committee on Agriculture and Forestry.

Mr. MAGNUSON. There is not a Bureau of Fisheries in the Department of Agriculture.

Mr. AIKEN. This was from the Branch of Commercial Fisheries in the Department of the Interior; \$4,460,000 was appropriated to it last year.

Mr. MAGNUSON. That was for the Fish and Wildlife Service.

Mr. AIKEN. Yes. This is a breakdown of the part used by the two Branches doing fisheries research.

Mr. MAGNUSON. It was for the Fish and Wildlife Service.

Mr. AIKEN. Other funds have been recommended for game, but they are not in the breakdown I read. The figures I have read pertain to the Branches of Commercial Fisheries and of Fisheries Biology, of the Fish and Wildlife Service.

Mr. DUFF. What was the amount provided last year for research?

Mr. AIKEN. I do not have the breakdown for last year. I have the total available for this current year, which is \$4,460,000, part of which I would assume was used for other research. I do not have the breakdown for this year; I have it for the coming year.

Mr. DUFF. As I shall endeavor to point out in my remarks, the exceedingly important point with reference to this problem is research and technological investigation. As I proceed, I shall return to the question raised by the Senator from Vermont. What I wish to emphasize is the necessity for research. We have been assured that insufficient funds are available for that purpose.

Mr. AIKEN. I do not want the impression to be left that \$175,000 is all that is available at present.

THE REMEDY

Mr. DUFF. It is a horrible indictment against this Nation, blessed as it has been with vast inland waters, notable in the whole world, that we have permitted our streams to become so defiled by pollution and so tainted that, passing some of our great cities, they are merely thinly diluted sewage. The Potomac River, flowing through the Nation's Capital, is itself a conspicuous and notorious example.

If it were beyond our power to remedy the various situations mentioned, there might be some mitigation for our neglect; but, in the best opinion, a revolutionary change could be effected by proper biological and scientific studies to restore the enormously valuable resources which we have prodigiously wasted, as we have both our timber and our soil.

It is becoming increasingly clear that it is not only imperative to acquire more scientific information about where to catch fish, but also, by the same token, to use the same scientific information so that there may be more fish to catch.

A notable example of the value of scientific research and fishing practice, based upon the knowledge gained from

such research, is shown in the halibut fisheries.

Edward W. Allen, Chairman of the International Pacific Halibut Commission, testified that Commission had conducted the most thorough, systematic, and continuous investigation of ocean fisheries that has ever been conducted. The Commission started its scientific investigation of the halibut fishery at a time when that fishery was so depleted that it was hardly worthwhile for the fisherman to undertake to fish for halibut. From that low point the Commission, as a result of technological research, has built up this one type of fishing to the rank of the best stabilized ocean fishery anywhere in the world. At the time of the low point of halibut fishing which I mentioned, when the Commission began its investigations in 1924, almost nothing was known about the life history of the halibut. Consequently, the first thing the Commission set out to do was to gain information as to how the halibut was spawned, where it was spawned, what the life history of the young was, and, carrying it right through, the maturity of the fish and their life expectancy. As a result of such study, every phase of that life history was ascertained. It proved to be a complete revelation.

The whole program was based upon the accurate collection of scientific facts. Then, having the facts, the Commission analyzed the situation to determine what could be done, and it ascertained that if the catch was held down to a figure just slightly under the increased reproduction rate of this fishery, it was possible to gradually build it up.

Having ascertained such facts, regulations were enforced to provide that the reproductive potentialities be constantly kept slightly ahead of the catch. Now it is possible to make a prophecy in advance, within 5 percent, of what poundage will be caught, and thereby keep the reproduction constantly on an expansive and upward trend.

The enforcement of regulations in the halibut industry, based upon valuable scientific research, resulted in a fabulous success. The catch was built up from 43 million pounds in 1931, to an amount in excess of 60 million pounds, by a gradual process.

As to many of our most important food fishes, we are to date as ignorant of their life habits and reproduction as we were of the halibut prior to the scientific biological study to which I have referred. By applying similar methods of investigation to other fish species, in all probability the same wonderful results which have been secured in the aforementioned conspicuous exploratory study could be duplicated.

It seems almost unnecessary to point out that if such scientific methods were universally applied, there would result a rounded program with reference to all the commercial fish off our shores.

Research is the remedy indicated for the ills of our domestic fishery products industry. In the Extension Service programs and land-grant college projects, for example, Congress has recognized the value of extensive research as a necessary and integral part of Federal assistance to products of the soil. Such pro-

grams have long since proven their value to American agriculture, and the expenditures which made them possible have been recovered many times in increased revenues.

In view of the extraordinary results obtained in the scientific exploration of the life of the halibut, such studies could and should be extended to all the commonly caught types of fish everywhere about our shores and in our waters.

For many years, despite the handicap of extremely limited funds, the Department of the Interior has carried out research programs and activities for the benefit of the commercial fisheries, as well as the consumer, which activities could not have been assumed by the industry itself. This is particularly true in the fields of biological and technological studies and marketing. With funds making possible an expansion of the very fine but limited program, there is every reason to believe that such a program would result in remarkable success.

It frequently requires years to obtain a solution to a critical problem, when it could be secured within months with adequate funds. The research now being conducted is but a series of frantic attempts to stem the tide of disaster as new epidemics, like the red tide, break out, or as fishermen in one area after another are left holding empty fish nets. This is not the continuing, well-balanced type of research which our domestic fisheries so urgently need.

The management of the fish harvest for several decades past has fallen below the standards of productivity that have long been established for agriculture and forestry. It is extremely unfortunate that heretofore there has been a failure to provide adequate expenditures for fisheries research and management. That such expenditures are self-liquidating seems to have been entirely overlooked.

Among the needed types of research that should as a bare minimum be included in an integrated, comprehensive program of fishery research, according to industry and Government experts, we find:

First. Biological-oceanographic research, which is necessary for a sound conservation program leading to an optimum annual crop from the sea.

Second. A statistical program necessary for maintenance of authentic records of landings and prices for use of industry and as an aid to the biologist. Market news service is essential in keeping industry informed as to current market conditions.

Third. Exploratory fishing and gear development to discover new fishing grounds and to improve methods of detecting and capturing fish.

Fourth. Technological studies to develop better methods of preserving, processing, distributing, and marketing fish and fishery products. Development of new uses for various species of fish and fish waste is an essential part of this program.

Fifth. Education and market development. This would be a program designed to promote and stimulate wider use of fish.

All these types of research should have been conducted down through the years. If that had been done, it is almost a certainty that our domestic fisheries would be thriving today.

The fishing industry is composed of individuals and small companies which lack the resources necessary to carry on such activities on a long-range basis. It is only by a continuous, long-range program that the kind of results can be secured which were obtained in the halibut fisheries, as was so conspicuously illustrated. The fishing industry markets its products without governmental assistance in the form of price-support programs or other Federal aid. It is significant that this industry has survived without the elaborate economic and technical assistance which has been extended to other basic producers of food. Fishery products are not among the surplus food commodities which are today such a serious problem to agriculture, industry, and government.

Almost all the research work that is being done at present for the Atlantic States Marine Fisheries Commission by the Fish and Wildlife Service is on a Federal-State project basis. Under the pending bill, the Secretary of the Interior will cooperate with the States, which are conducting studies relative to their individual problems, such as pollution, methods of catching, industry problems, conservation measures, and other difficulties peculiar to their particular areas. One thing is certain: Neither the impoverished industry nor the tax-starved States can alone finance the extensive research that must be conducted if our national fisheries are to be preserved and expanded.

THE MEANS TO APPLY THE REMEDY

The pending bill provides, not for an added appropriation, but for a transfer of funds. The fisherman is not seeking price supports or a subsidy. He is only asking that 30 percent of the revenue from imported fishery products be allotted, not to the Department of Agriculture, as at present, but, instead, that the 30 percent be channeled into the Department of the Interior, which means, in practice, into the Fish and Wildlife Service.

The Fish and Wildlife Service is skilled in the various forms of fisheries research, although its funds have always been extremely limited. The funds asked for and provided by this bill fairly and properly belong in that Service, where the revenue from fishery products will be used exclusively for exploring ways and means of harvesting and marketing more and better fishery products for the nutritional benefit of the entire Nation.

If present practices and lack of knowledge are continued, with the vastly increasing population of this Nation, in a few years what was once one of the prides of the American people will gradually diminish to the place where it becomes merely an incident in the national life. It has always been a tenet of the American people that every generation has the obligation to give as good as it gets. This is one conspicuous place where that tenet can be made enormously and permanently effective. In

the final analysis, this is a great conservation measure, the kind of measure that has been overdue for generations.

Mr. President, at this point I should like to state for the Record, in terms of dollars, the effect of the decline in the rate of the catch of fish in the Great Lakes and along both coasts of the Nation.

In 1944, the catch of sardines on the west coast was 1,147,295,000 pounds. By 1953, that figure was reduced to a mere 5 million pounds. Thus in a 9-year period there was a loss of 1,142,295,000 pounds. On the basis of 10 cents a pound for sardines, the loss would amount, on today's market, to \$114 million in 1 year.

In 1944, the catch of Alaskan salmon was 393,318,000 pounds. Nine years later, in 1953, the catch was only 220,276,000 pounds. That amounted to a loss of 173,042,000 pounds over the 9-year period. At 60 cents a pound, which is the price for even frozen salmon, the loss would amount to \$103 million a year.

In New England, in the cod fishing area, the loss in poundage from 1944 to 1953 has been 62,756,000. At 25 cents a pound, that equals \$15,500,000 a year.

In the Gloucester area, where the catch of mackerel has, in 10 years, dropped from 32 million pounds to 3 million pounds, the loss has amounted to 29 million pounds, net, or \$2,900,000 a year.

In the Great Lakes area, in 3 of the Great Lakes where the lake trout have been completely exterminated, so far as catching is concerned, the loss of \$3,500,000 a year.

So, Mr. President, in the past 9 years, from merely these 5 types of fish, without going into detail as to a number of others, the loss, in terms of dollars, is \$238,900,000 a year.

Consequently it must be clear that with a fabulous loss of \$238,900,000 a year in fishery products, whatever has been done to alleviate the situation has been utterly inadequate to meet the demands of the crisis that faces the fishing industry.

Mr. BUTLER of Maryland. Mr. President, will the Senator from Pennsylvania yield to me, so that I may make brief remarks in connection with the bill?

THE PRESIDING OFFICER (Mr. KUCHEL in the chair). Does the Senator from Pennsylvania yield to the Senator from Maryland?

Mr. DUFF. I yield.

Mr. BUTLER of Maryland. I thank the Senator from Pennsylvania.

Mr. President, as a cosponsor of Senate bill 2802, it is my considered opinion that the bill would provide adequate funds for a much-needed, integrated, comprehensive program of fishery research.

The importance of this proposed legislation to the American fishing industry is not subject to exaggeration. Fishing is one of the most important industries in my own State of Maryland, whose fishermen each year bring in vast quantities of the finest crabs, oysters, and fish from the waters of the Chesapeake, its tributaries, and the Atlantic Ocean.

I am acutely aware of the problems of the fisherman, and I am appalled by

conditions in this industry resulting from the lack of a comprehensive research program. Throughout the United States the industry faces an ever-worsening situation. The annual output of the great salmon industry of the Northwest has dropped two-thirds in 7 years.

In the last 10 years the mackerel output of New England has dropped from 10 million to a little over 2½ million pounds a year. There has been a marked decline in the seeding of oysters in every section of the country, and outbreaks of disease and attacks by parasites have caused incalculable losses to all forms of fish life. Once profitable fishing grounds have lost their yield, and in recent years fishing for many species has been abandoned. These are but a few examples of the catastrophes which have befallen the American fisherman and caused serious doubt as to the future of this great American industry.

Adequate research is an obvious remedy for these ills. While agriculture and other industries have benefited from scientific and technological advances, only recently has the fisherman sought the knowledge of the marine biologist and other scientists. Fishing in many ways is still carried on by methods like those used hundreds of years ago. Many factors which, if known and understood, would contribute to the greater success of the operation remain obscured among imponderables collectively referred to as "fisherman's luck."

Who is responsible for this deplorable situation? Has the industry been remiss in neglecting research in the past? Obviously not. The fishing industry is composed of many individuals and small companies which lack the resources necessary to carry on coordinated research activities of the proper and essentially broad scope.

I strongly urge the enactment of this proposed legislation. It must be kept in mind that the fishing industry markets its products without Government assistance in the form of subsidies or price supports, nor does the fisherman seek such aid. If the fishing industry is to forge ahead to become a part of our expanding economy of the future; indeed, if it is even to maintain its present position, its knowledge of the seas from which this wealth is mined must be increased, and new processes and marketing techniques must be developed. The meager sum presently available for fishery research is totally inadequate. These funds should be increased, so as to enable this industry to continue to make its important contribution to national prosperity.

Mr. President, I thank the Senator from Pennsylvania for yielding to me.

Mr. STENNIS. Mr. President, will the Senator from Pennsylvania yield to me for a question?

Mr. DUFF. I yield.

Mr. STENNIS. First, I wish to thank the Senator from Pennsylvania for his presentation of a bill which I believe will result in very important legislation.

One of the points raised against the bill is that it will set a precedent in connection with the taking of money from section 32 funds, and transferring it to

another and new activity of the Government. Is it not true that there is already a precedent for that? Has not some money in former years been transferred from section 32 funds?

Mr. DUFF. Under the 1935 act, agriculture obtains \$300 million from section 32 funds. The method used in that case is exactly the same as the method we propose to have used in connection with providing aid for the purpose of bringing about continuity in the research and investigation of fisheries.

Mr. STENNIS. What is the estimated amount involved under the provisions of the bill?

Mr. DUFF. Approximately \$3 million a year. There is also a provision that if at any time the fund in any year or by means of any accrual reaches \$5 million, there will be an automatic cut-off and a return of the excess to the section 32 fund.

Mr. STENNIS. That is a very sound provision.

As I understand, research in the fishing industry is to extend entirely around the seacoast, on the Atlantic and the Pacific, as well as the Gulf of Mexico, and it is not confined to any particular phase.

Mr. DUFF. The Senator is correct. It also includes all the rivers of the United States, which in many instances are extremely important.

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

Mr. DUFF. I yield.

Mr. THYE. Research in the fishing industry is essential from the standpoint of the Great Lakes chain, because in that chain there is a very important fishing industry. Parasites have been destroying some of the fish, and are threatening to destroy a great portion of the fishing industry. That was one reason why I joined as a sponsor of the bill. I felt that we could, with assistance from section 32 funds, make possible a research activity which might very well put an end to some of the inroads parasites have made in our fishing industry.

I fully realize that there are those who are of the opinion that this is a wrong approach; that it is not proper to use section 32 funds for this purpose. However, I recognize that there are imports of fish as well as of other commodities. Therefore, I thought it was proper to use section 32 funds to make possible a little research in the fishing industry.

Mr. DUFF. Under the automatic cut-off of the agricultural provision at \$300 million, this year \$27 million is being returned to the Treasury. The total figure was \$27 million above the \$300 million limit. The excess is nine times as much as we are asking in this bill for the purpose of research and investigation of fisheries.

Mr. THYE. The Senator is entirely correct. That was my information a year ago, when I joined as a cosponsor of the bill. My home is at the head of the lakes. It was my interest in the Great Lakes fisheries which led me to become a cosponsor of the bill. We have a very fine industry in our lake fisheries, both in the Great Lakes chain and in other inland waters in the various States.

Mr. DUFF. As I tried to point out, the Fish and Wildlife Service has shown that in the past 10 years there has been a decline of \$3,500,000 annually in the catch of only one type of fish in the Great Lakes.

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

Mr. DUFF. I yield.

Mr. PAYNE. I wonder if my distinguished colleague will not agree with me that, on the basis of the information which was available to the committee, the moneys which have accrued as the result of the duties on fisheries products have increased from a little more than \$4,700,000 in 1940 to more than \$11,900,000 in 1952.

Mr. DUFF. I think the Senator from Maine is absolutely correct.

Mr. PAYNE. During that same period of time the volume of products which have been imported, in direct competition with our own domestic fisheries, has increased from \$40 million to more than \$200 million, thus, in many instances, placing our own fisheries at a very serious disadvantage.

Mr. DUFF. That is correct.

Mr. PAYNE. Of course, the Senator from Pennsylvania well knows that, coming from the State of Maine, as I do, I consider this particular measure of great importance to many thousands of our people who depend upon fishing to make it possible to stabilize their economy and to assure a source of livelihood over the years to come.

As the distinguished Senator from Pennsylvania has pointed out, the problems which affect only one of those industries, namely, the sardine industry, have made it practically helpless. Those engaged in that industry are unable to determine exactly what they can look to in the future to furnish an adequate supply of the fish needed to support the great sardine industry. They do not know what has happened in connection with the failure of the fish to appear at a particular time.

Am I not correct in saying that this particular bill would tend to develop technological and research activities which would provide the answers to many of the problems, and enable us to know whether or not we shall be able to depend upon an adequate supply of that particular type of fish, along with many others which are found off the coast of our State, and off the coasts of many other States of the Union? Is it not correct that the bill would tend to place our fisheries industry in such a position that it could not only meet the threat of foreign competition, but provide for the needs of our people, and assure the livelihood of the many thousands of people who are employed in the fisheries industry?

Mr. DUFF. The Senator is correct.

I should like to say one further word to the Senator from Mississippi [Mr. STENNIS]. The question was raised as to whether or not the bill applies to inland fisheries. I think it very definitely does.

During the period when I was Governor of Pennsylvania we were endeavoring to clean up the streams of that State. I remember one instance, involving a study of the biology of water for the purpose of deciding whether or not it

was fit for human consumption. We brought down from the mountains about 50 trout and placed them in water which was being furnished for human consumption. About 80 percent of them died in 1 night. So the problem involves not only a biological study from the standpoint of what is good for fish but also what is good for human beings at a time when the great streams are being so thoroughly polluted, to the point where they will not only not support fish life but will not afford a source of potable water, which is necessary to the health and welfare of all the people of the country.

Mr. PAYNE. Mr. President, will the Senator from Pennsylvania yield once more?

Mr. DUFF. I yield.

Mr. PAYNE. I have noticed some interesting figures in connection with a comparison of the amounts spent for research, per ton of food produced, as between fisheries, on the one hand, and agricultural products on the other. I am sure the Senator is well aware of the fact that I am concerned not only with fisheries, but also with the agricultural economy of my region.

On the basis of a comparison of expenditures, am I not correct in saying that it has been computed that, up to 1945—and there is little reason to believe that the ratio has changed very much since then—the Federal Government was spending, per ton of food produced, in the field of research, experiment, and so forth, 82 cents in the case of fishery products, and \$7.04 per ton of food produced in connection with agricultural commodities? I think the Senator will remember that those figures were submitted and made a part of the record at the hearing.

Mr. DUFF. The Senator is correct.

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

Mr. DUFF. I yield.

Mr. MAGNUSON. Adding further to what the distinguished Senator from Maine has pointed out, this year's recommendation in the budget was \$86,265,000 for agricultural research. We are all in favor of that. The House increased the amount to \$88,258,000. I have no doubt the Senate committee will accept that figure. The figure will run close to \$90 million for agriculture. That is perfectly proper. We are for it. All we are asking is a small amount for the important fishing industry.

Mr. PAYNE. Mr. President, will the Senator from Pennsylvania yield further on that point?

Mr. DUFF. I yield.

Mr. PAYNE. Is it not true that as a result of the expenditures which have been made for agricultural research—and we are all in full support of such expenditures; certainly the junior Senator from Maine is—we have been brought to the point where, as a result of scientific methods and technological advances brought about by research activities, we are producing an overabundance in many instances? The fishery industry is on the reverse side of the picture. We need to spend money in that direction, not to get rid of an abundance, but to find out why it is that there is a scarcity of cer-

tain products, so that we can perhaps bring about an implementation of production, and make certain that the activities of our fisheries are continued on a sound basis, looking to the future.

Mr. DUFF. In line with what the Senator from Maine has stated, regardless of what has been done for fish and wildlife by technological research, the fact is that definite figures with respect to only five types of fish show that the loss as of today's market is over a quarter of a billion dollars.

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

Mr. DUFF. I yield.

Mr. AIKEN. I wonder whether the Senator can tell us what the advantage is of an indirect appropriation over a direct appropriation for the purpose of conducting fishery research. What is the advantage, instead of making a direct appropriation for fishery research—and I am sure there would be no objection on my part to increasing the amount to whatever may be needed—of having the money appropriated to the Department of Agriculture and then transferred to fisheries?

Mr. DUFF. I may say to the Senator from Vermont that in the case of agriculture the system has been very successful in connection with the funds which have been made available to the Department of Agriculture, and it is our hope that fisheries may likewise be benefited. In other words, what is good for the goose is good for the gander.

Mr. AIKEN. I may say to the Senator from Pennsylvania that if the appropriation to the Department of Agriculture had not been made in the way it was 19 years ago, I would not approve making it that way today. It is an appropriation which does not show up in the appropriation figures each year, and the public is unaware of what the amount is.

Mr. MAGNUSON. Mr. President, will the Senator yield so that I may answer the Senator from Vermont?

Mr. DUFF. I yield.

Mr. MAGNUSON. The advantage is that fishery research may take, in some cases, 3 or 4 years. Such research is a long-time project. The advantage is that we will know there will be available a small amount of money with which to do the research work, instead of having to come to the Committee on Appropriations every year to fight for an appropriation. The same thing is being done for agriculture, and I am all for it.

I am a member of the Committee on Appropriations, and I know how hard it is necessary to fight in order to obtain funds for research. Every year it is necessary for such an item to go through the Bureau of the Budget. The first funds the Bureau cuts off are research funds. That has been done to such an extent that there has been very little fishery research, and the result has been that the whole fishing industry in the United States, which is a big industry and employs a great many persons, is going down and down.

I could read some figures and conclusions that make it very clear unless we start to do something along that line now and inaugurate a long-term program,

certain species of fish will completely disappear, and the fishing industry will be seriously damaged.

Mr. DUFF. One conspicuous example of the necessity of continuity is what happened in the halibut fishing industry. It was only through long-time research that a complete change in the halibut situation developed.

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

Mr. DUFF. I yield.

Mr. AIKEN. What advantage is gained by expropriating funds already appropriated to the Department of Agriculture, when over 70 percent of the other receipts from the tariff on fish is completely unencumbered and can be used?

Mr. MAGNUSON. Because the Department of Agriculture is the most niggardly group in the world when it comes to providing money for research. The Department spends more money on insects in my State—which is all right, of course—than it spends on research.

Mr. AIKEN. But 70 percent of the receipts from the tariff on fish is unencumbered in any way. Why do not those who are interested in fisheries research propose to take the money from the 70 percent instead of the 30 percent, which is already appropriated to another purpose?

Mr. DUFF. The answer is that we have been impressed by the success of what agriculture has done, and we are merely following in its train.

Mr. AIKEN. There is now more than 70 percent out in the open which those interested in fisheries could ask for. Why go after what is already appropriated to another purpose? It is directly contrary to what I thought was the policy of the Senate, namely, to have all appropriations out in the open where people can see them. It is directly contrary to the recommendation of the Hoover Commission, for which Congress appropriated \$2 million.

Mr. MAGNUSON. Mr. Hoover was a bad fisherman. Probably that is the explanation.

Mr. AIKEN. But Mr. Hoover knows figures and appropriations pretty well.

Mr. SALTONSTALL. Mr. President, will the Senator from Pennsylvania yield?

Mr. DUFF. I yield.

Mr. SALTONSTALL. Mr. President, I respect the Senator from Vermont. He is an agriculturalist and he is the chairman of the Committee on Agriculture and Forestry. He must fight for agricultural funds. I should like to point out that under section 32, which we are talking about, approximately \$300 million is made available to agriculture. In 1954 the Secretary of Agriculture turned back \$27 million. In addition to section 32 funds, there is available approximately \$30 million each year, which does not have to be appropriated. The Department has that amount of money available, in addition to the section 32 funds, without appropriation. I should like to say to the Senator from Pennsylvania that it occurred to me, as the Senator from Pennsylvania was making his remarks on this subject, that the purpose of section 32 is to protect agri-

culture from high tariffs and to somewhat equalize conditions for the farmer. Representing an industrial State, I approve of it. However, representing a fishing State, I say the same thing applies to fish. The trouble with fisheries is that the tariffs are too low. If the tariffs were raised a little on fish, the fishing industry would not have to meet some of the problems it now faces. Those interested in fisheries are trying to get funds for biological and technological research so that American fisheries may compete with imports which come into the United States under low tariffs. Am I correct?

Mr. DUFF. The best evidence of the fact that the Senator from Massachusetts is right is the constantly mounting increase in the importation of foreign fishery products.

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

Mr. DUFF. I yield.

Mr. SALTONSTALL. Following out what the Senator from Washington said so ably, there is now available for what we might call commercial fisheries the sum of \$2,300,000 for the entire United States. A large portion of that is expended for the tuna-fish industry. What we want to do is to have biological and technological research, which means keeping ships at sea in the Pacific and in the Atlantic, and ascertaining what are the most effective fishing nets and what makes fish grow and where they are and where the shellfish are, and so forth. That cannot be done overnight with an indefinite appropriation.

Mr. DUFF. I believe the best answer is what happened to the halibut-fishing industry. Continuity of research is needed over a long period of time if we are to solve the problem.

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

Mr. DUFF. I yield.

Mr. AIKEN. So that the Senator from Massachusetts will not leave a wrong impression in the RECORD, which may be gathered from his remark that the Department of Agriculture has a surplus of section 32 funds and is turning back a surplus into the general Treasury year after year, I should like to say that that statement is not entirely in accord with the facts. It is true that during the Korean war the Secretary of Agriculture did not spend much of the section 32 funds. It was not necessary to do so. Therefore, the Department accumulated money to the amount of \$300 million, which is the maximum permitted by law. There were also turned back into the General Treasury the sums of money which the Senator from Massachusetts mentioned.

However, we are thankful that the Korean war has come to an end. That is not the picture today. We have had a drought in the West and we have had to engage in an extensive beef-buying program, which cost almost \$100 million. Had it not been for the fact that there was \$300 million in the revolving fund and \$170 million in new receipts we could not have pursued that large beef-buying program.

This year we are spending approximately \$56 million more than the amount

of section 32 funds acquired from current receipts.

Therefore, the revolving fund, which a year ago amounted to \$300 million, will be about \$244 million on July 1. If it drops any lower, and we should wish to undertake another beef-buying program—and there is talk of it, because we expect very heavy culling of dairy herds this fall—such a program will be out of the question. It is necessary to keep the fund up; otherwise, we cannot undertake a program of any size.

Mr. MAGNUSON. Mr. President, will the Senator from Pennsylvania yield?

Mr. DUFF. I yield.

Mr. MAGNUSON. Does the Senator from Vermont think that \$3 million will stop the beef-buying program? We spent 10 times that much for the eradication of the hoof-and-mouth disease.

Mr. AIKEN. The Department is not turning back funds. It has used up \$56 million of the revolving fund, and if it continues to do that for several more years, \$4 million will look like a great deal of money.

Mr. SALTONSTALL. Mr. President, will the Senator from Pennsylvania yield?

Mr. DUFF. I yield.

Mr. SALTONSTALL. I should like to point out to my friend from Vermont that there are permanent and indefinite appropriations which continue right along. As shown in the report on the appropriation bill for this year, at pages 22 and 23, general and special funds for the Department of the Interior number 35. So, in the Interior Department at this time there are 35 permanent and indefinite appropriations. One of them provides for Federal aid in reference to wildlife restoration, amounting to \$11 million. We do not object to that, but we are asking for only about \$3 million for research for commercial fisheries which employ 550,000 persons.

Mr. AIKEN. At the beginning of the statement of the Senator from Pennsylvania he made reference to the fact that money was needed for the purpose of outfitting boats.

Mr. DUFF. If there is to be any oceanic research, funds must be made available, and we are endeavoring to provide the funds by the provisions of the pending bill.

Mr. PASTORE. Mr. President, will the Senator from Pennsylvania yield?

Mr. DUFF. I yield.

Mr. PASTORE. I know the distinguished Senator from Pennsylvania has emphasized his point, but I think it deserves reemphasis. We are not asking for any part of the general customs collections on all importations. Our request is confined strictly to 30 percent of the duties collected on fishery imports.

Mr. DUFF. That is correct.

Mr. PASTORE. We hear much about agriculture. I have been a Member of this body for 4 years and I have constantly been reminded of the plight of the farmer, and I have been willing to help the farmer and have supported all farm legislation, but it strikes me that every time the word "agriculture" is mentioned in this body it is like mentioning the sacred cow. There are other people in distress. There are fishermen in my sec-

tion of the country who are out of work. All we want is 30 percent of the imports collected on fisheries alone, which is now being spent for agricultural research, to be used for the development of fisheries research. For the life of me, I cannot understand the opposition to this proposed legislation on the part of the distinguished Senator from Vermont.

Mr. AIKEN. Mr. President, will the Senator from Pennsylvania yield?

Mr. DUFF. I yield.

Mr. AIKEN. I recognize the justice of the contention of the Senator from Rhode Island that the fisheries industry is entitled to consideration, but I still have to get a satisfactory answer as to why this program cannot stand on its own feet and have a direct appropriation, instead of taking money from the poultry grower, the wheat grower, and many other persons who will be out of funds in a couple more years, at the rate we are now going.

Mr. PASTORE. We are not taking a single penny from the wheat growers, the turkey growers, or the chicken growers. If we adopt the philosophy that is being enunciated on the floor today by the distinguished Senator from Vermont, that the program should stand on its own feet, we shall destroy the very philosophy that brought section 32 into being in the 1935 act. We argued then that the money was needed for research, and we took 30 percent of all the duties collected on imports and devoted it to agriculture. We allocated only \$175,000 for fishery research. All we are now asking is that we be given a fair share of the duties collected on imports of fishery products for an industry which is in serious distress today. That, to me, is equity and justice.

Mr. KENNEDY. Mr. President, will the Senator from Pennsylvania yield?

Mr. DUFF. I yield.

Mr. KENNEDY. I would say, in answer to the Senator from Vermont, that some time ago an amendment was adopted providing that \$1,500,000 could be spent annually to aid the fishing industry. None of that money has been spent since 1940. In other words, the fishing industry has been piling up an equity of more than \$1.5 million per year since 1940, and has received none of it. Therefore, we have a definite right to the expenditure of some of that money for a purpose most appropriate to the fishing industry, namely, research. If the fishing industry needed money for the purchase of surpluses, I am sure the Senator from Vermont would agree to that. But we do not need the money for the purchase of surpluses. We need it for research.

Mr. DUFF. The Senator from Massachusetts is correct.

Mr. AIKEN. Mr. President, will the Senator from Pennsylvania yield?

Mr. DUFF. I yield.

Mr. AIKEN. I realize that \$1½ million of section 32 funds are earmarked for the removal of surplus fisheries products from the market, but since the time that law was enacted, in 1938, there have been such small surpluses that it has been necessary to spend only \$1,600,000 over the entire period. The fishing in-

dustry has been, during most of those years, highly prosperous, because it has had no surpluses. The testimony in the hearings indicates that up until very recently the industry has been highly prosperous, and there has been no need to spend the \$1½ million to aid it. The money was appropriated for exactly the same purpose as were section 32 funds which were made available for the removal from the market of surplus fruits, vegetables, livestock products, and commodities of that kind.

Mr. KENNEDY. Mr. President, will the Senator from Pennsylvania yield further?

Mr. DUFF. I yield.

Mr. KENNEDY. There are two answers to the statement of the Senator from Vermont. The first one is that we recognized in 1938, when the \$1,500,000 was appropriated, that the fishing industry had an equity in section 32 funds. It is of no practical value to the fishing industry that money may be spent for the removal of surpluses, but it is useful to spend such funds for research. It is surprising to me that the Senator from Vermont objects to the use of the funds merely because the fishing industry wants the money to be spent for research.

Mr. AIKEN. The funds were appropriated to agriculture to be used for the removal of surpluses from the market and also to subsidize foreign exports to develop markets which did not then exist. The money which agriculture has for research work is a direct appropriation. I am somewhat surprised at the statement of the junior Senator from Massachusetts, who has long been a champion of the campaign against hidden subsidies. I wish he would be equally assiduous in leading a campaign against hidden appropriations.

As I have said repeatedly on the floor this afternoon, if section 32 funds were not already earmarked in the way they are, I would oppose establishing a fund in that manner to dispose of surplus agricultural commodities.

Mr. KENNEDY. I do not want the funds to be hidden. The \$1,500,000 fund for the relief of the fishing industry has been hidden, because the Agriculture Department has never made use of that money. The fishing industry has never been troubled seriously with the problem of surplus fish. Our problems of scarcity of fish and the need to develop greater markets can be met by the appropriation of additional money for research. The fishing industry already has an equity in section 32 funds and the problems of the fishing industry can be best met by making that money available for research. The Senator makes the point that there is a difference between money being spent for disposing of surplus fishery products and money being spent for research.

Mr. AIKEN. I make the point, and the point is clearly delineated, that in the case of agricultural appropriations there is a fund set up for the removal of surpluses. But the fund used for research work is a direct appropriation. Both of them should be direct appropriations; unfortunately one of them is not.

Mr. KENNEDY. I do not think the Senator's answer goes to the substance of the problem. We want to help the fishing industry. It will be of no help to purchase surplus fish. What is needed is money for research. We should be looking at the need, not, particularly, at what happens to be the language of the act. As I have already stated, whatever money comes from duties on the fishing industry should be authorized to be expended for research to aid the fishing industry.

Mr. DUFF. Mr. President, before I yield the floor, I should like to conclude by saying that whatever has been done for the fishing industry has been utterly inadequate, by reason of the fact that in the past 9 years, with respect to merely five species of fish, there has been a loss of more than a quarter of a billion dollars.

Mr. MAGNUSON. Mr. President, I wish to associate myself with the able statement of the distinguished Senator from Pennsylvania. I am certain that all of us who have a direct geographical interest in the matter are appreciative of the capable way in which he handled the hearings on this very important question.

I appreciate the argument made by the Senator from Vermont [Mr. AIKEN], but I think the fact should not be forgotten that the fishing industry is in dire need of the kind of research the bill provides. Later I wish to place in the RECORD some items not mentioned, but more directly associated with the Pacific coast, in connection with the depletion of fish runs in many species, and with respect to the serious economic plight of the fishing industry.

Pilchards, which were an important part of the fishing industry on the west coast, and furnished fertilizer for many farmers, have completely disappeared. I cannot state the number of fishermen who are out of work or the number of boats which are tied up. We do not want any direct help in the way of subsidies. We do not want to worry about surpluses. Agricultural surpluses and fish surpluses are entirely different matters. It is necessary to catch the fish. If the fish are gone, there will be no surpluses. I think the two situations are entirely different.

Those who are engaged in the industry, both fishermen and operators, and those engaged in research, think that what the industry needs is, at least, a long term, planned type of research, which might do much to help the American fishing industry to survive, in the face of constantly increasing imports.

We have not yet heard from Japan in the matter. I know from past experience what the volume of imports from Japan will be when once the Japanese fishing industry begins to operate again.

It has been a matter of great concern to many persons, especially in the coastal States, and particularly the New England States and the Gulf States, with special reference to the State of Maine, with its shell fish, that they might be able to receive an amount of money comparable to that used in other lines of research, so that their fisheries could have the benefit.

The best example was mentioned by the Senator from Pennsylvania [Mr. DUFF], when he referred to the halibut run in the North Pacific. About 13 or 14 years ago, halibut was completely depleted. With a small fund, a Halibut Commission was established in conjunction with Canada. As a result of a wise conservation and research plan, halibut runs are now back at a peak. That is what it is thought can be done with many of the species which are now disappearing, for one reason or another, from the fishing grounds of the Nation.

Mr. KENNEDY. I think the report of the Senator from Pennsylvania illustrated clearly how beneficial research could be in every section of the country. Most of the owners are operating on a rather slim margin of profit, and really are not in a position, except in the case of halibut, to undertake research by themselves.

If we could undertake research, perhaps working together, something could be done to preserve the harvest of the sea, which is being depleted in so many sections of the country.

Mr. MAGNUSON. I also wish to point out to the Senator from Minnesota that this is not only a Federal expenditure. The State governments and the industry itself, as well as some of the international commissions, in conjunction with States that face the sea and have a large fisheries industry are working to the utmost of their ability to join in the research problems. I specifically asked every witness about the activities of the State universities in connection with fisheries and game developments, and the responses were that they were all most helpful.

We have in the State of Washington one of the largest fishing industries of the Nation, and it has correlated its research program with that of the Federal Government. I think that by this means we may be able to accomplish even more good.

Mr. KENNEDY. It would be most appropriate to have this money come from duties on the imports of fish since imports have caused the serious problem. It is comparable to an inoculation against disease. By a small inoculation, a person can become immunized against contracting the disease in its serious form. We would be taking a part of the duty on the imports of fish which cause the serious trouble, and would be adding to the research. Thus, in a most appropriate way, we would be helping the fishing industry.

Mr. MAGNUSON. I think the Senator from Massachusetts for having stated the problem so well. I know of his deep interest in the matter.

Mr. President, I desire to place in the RECORD figures which indicate, I think, that both the Senator from Vermont and I are partially right. We are advised by the Fish and Wildlife Service that for the fiscal year 1955 the Service will have \$3,222,000 for the purposes covered in S. 2802.

Mr. AIKEN. That is the figure I have.

Mr. MAGNUSON. The figure of \$4 million in the appropriation for the entire Fish and Wildlife Service includes, of course, wildlife research and fish-

eries activities not covered by the bill. It is the entire amount of the appropriation. I think the RECORD should be made clear.

Mr. AIKEN. I am certain that the Senator from Washington and I can agree on those figures.

AMERICAN FISHERMEN AND FREE TRADE

Mr. MALONE. Mr. President, I have been very much interested in the debate on the fishing industry. But if Senators who are interested in the fishing industry are not careful, they will have more fish on their hands than they can sell under the free-trade program without any plans to enlarge the production.

The hearings on Senate bill 2802—a bill to further encourage the distribution of fishery products, and for other purposes—contains some very pertinent information.

Page 21 of the hearings seems to be a very fine description of the fishing industry, and we find, under the heading "Foreign Competition," the following:

Foreign competition is not a new problem for the New England fisheries. New England lost its salt-fish trade to Canada and other northern countries before the First World War. New England interests have continuously had a tariff-conscious attitude. Wartime and postwar developments, however, have made the challenge from foreign fisheries more acute.

Tariff regulations have protected fillets ever since they became a major fishing product. Under the Tariff Act of 1922 the import duty on all fillets was 2.5 cents a pound. The Tariff Act of 1930 continued that rate until the second trade agreement with Canada, effective January 1939.

It was under the 1934 Trade Agreements Act that the constitutional responsibility of Congress, the legislative branch of the Government, was transferred to the Executive to regulate duties, imposts, and excises, meaning tariffs and import fees. Since that time the Executive, meaning the State Department, has been busily engaged in trading off industry after industry, with no thought of the foreign low-wage competition, and is simply giving every nation a piece of the American market through so-called trade agreements.

At this point I wish to say that the act passed in 1934, and has been renewed every 3 years until 1951, when it was renewed for 2 years—and last year it was extended for 1 year, and will now expire on midnight of June 12 this year. If it is not renewed, I say to the Senators who are interested in the fishing business, "You will be back in business," since the Tariff Commission will then fix the tariff on the basis of fair and free competition.

UNITED STATES FISHERIES SUFFER

If it is renewed for 3 years, as the Randall Commission recommends, and a bill on the subject has been introduced in the House by ROBERT W. KEAN, of New Jersey, then the question of research for new fish will be the least of your troubles. It is H. R. 8860.

Continuing to read from page 21 of the hearing:

The Tariff Act of 1930 continued that rate until the second trade agreement with Canada, effective January 1939, reduced the duty on groundfish fillets to 1.875 cents a pound.

The reduced rates applied to annual imports of 15 million pounds or 15 percent of the average annual United States consumption of filets in the 3 preceding years, whichever was the greater. Imports of groundfish filets in excess of the quota and imports of all other filets remained subject to duty at 2.5 cents a pound.

An indication of the potential threat to New England interests from foreign fillet producers came in 1939. Imports rose 64 percent above the 1938 level. The largest New England filleting concern made an unsuccessful attempt to establish a new plant in Newfoundland and ship filets into the United States duty free. It failed only because Congress redefined "American fishery" to make the products of such a venture subject to the American tariff. These events not only emphasized the importance of the tariff for the maintenance of New England's position under existing cost and market conditions, they also made clear the potentialities in the development of fresh- and frozen-fish facilities in the countries to the north.

SUBSIDIES HELP FOREIGN FISHING FLEETS

Mr. President, the report continues on page 22:

Two developments during World War II transformed those potentialities to realities by 1946. Filleting and freezing facilities were expanded greatly in Canada, Iceland, and other northern nations to provide food fish for the Allies. Liberal governmental subsidies helped their fishing fleets to grow. Moreover, price inflation cut the ad valorem equivalent of the American tariff from a level of 24.7 percent in 1939 to 9.3 percent in 1946.

IMPORTS FLOOD MARKET

In other words, without any actual cut in the tariff, inflation itself cut the tariff to that extent. Of course, the statement is absolutely correct. I continue to read:

Foreign producers rushed to take advantage of the favorable situation. Imports of groundfish filets alone were five and a half times as large in 1948 as they had been in 1940.

Thoroughly alarmed by the flood of post-war imports, representatives of the New England industry have visited regularly in Washington to seek greater protection. Interests in the industry which have never seen eye to eye on any other problem have pooled their resources to try to set an import quota on foreign filets of about 43 million pounds annually. So far their efforts have succeeded only in maintaining present restrictions from further cuts under reciprocal trade agreements.

Mr. President, the words "reciprocal trade" comprise a catch phrase invented to sugar-coat the 1934 Trade Agreements Act, and invented to sell free trade to the American people. The words "reciprocal trade" do not occur in the act.

I continue to read:

The evidence which they have presented to congressional committees, however, shows the vulnerability of the New England industry.

Skipping over some of the same kind of information and going to page 27 of the same hearing, I come to a subheading, "How To Meet Foreign Competition." I am diverting to this because it is an inline with what I am about to say in my address to the Senate on other industries. The fishing industry is not an isolated industry. There are 500 more industries threatened.

FIVE HUNDRED HURT INDUSTRIES

There are many other industries affected in the same way, such as the textile, tool, watch, crockery, mineral, wool, and 500 other industries. However, under the subterfuge which exists in Washington, we call it a reciprocal trade act.

CONSTITUTIONALITY OF ACT QUESTIONED

Most persons think that the 1934 act is unconstitutional because it transfers a constitutional responsibility of the Congress to the executive branch of government.

Article I, section 8, of the Constitution specifies that the legislative branch of the Government shall set duties, imposts, and excises, which we call tariff and import fees, and shall regulate foreign trade. Under the Trade Agreements Act of 1934, that legislative responsibility was transferred bodily to the Executive. That is sailing under the false pretenses of a so-called reciprocal trade act. As the junior Senator from Nevada has said many times, the two words "reciprocal trade" do not occur in the act. The trade is not reciprocal, and was not intended to be.

I read now from page 27 of the hearing:

HOW TO MEET FOREIGN COMPETITION

The New England fishing industry has become increasingly alarmed at the rise in imports of fish.

IMPORTS INCREASE

I am reading from the hearing held on April 1, 1954, on Senate bill 2802.

I continue to read:

Imports provided only 4 percent of United States consumption of fresh and frozen fish in 1931; they accounted for 23 percent in 1948.

Canada, Iceland, and the other northern maritime countries plan to step up their exports to the United States still further. The Canadian provincial governments also hope to expedite the northern movement of the fishing industry by granting liberal mortgage loans and fishing-vessel subsidies. Two of the larger New England concerns which already have interests in the Maritime Provinces have initiated or plan substantial expansion of their Canadian operations.

New England interests have petitioned the Federal Government to impose a limit of 43 million pounds annually on imports of foreign filets. They considered that request more desirable than an appeal for a higher tariff because import duties could not provide effective protection unless the present rates were raised 150 percent. An increase of that amount would merely restore the ad valorem effectiveness of the pre-World War II tariff, when fish prices were about 60 percent less than they are today.

Mr. President, an increase of 150 percent would not be enough to overcome the difference between wages paid in this country and those paid in some of the countries which are in competition with the United States.

JAPAN'S FISHERIES NEW THREAT

In Japan, for example, which is in competition with the west coast of this country, the rate of wages paid is 12 to 14 cents an hour. An increase of 150 percent in the duties would not result in comparable costs. Why should the difference in wages not be reflected in the tariffs, or "duties," as they are called in the Constitution of the United States.

I read further from page 27 of the hearing:

After extensive congressional hearings last year, the United States Departments of State and Commerce and the United States Tariff Commission recommended that the fishing industry's plea be denied. They pointed out that quantitative restrictions on fish imports would run counter to the country's reciprocal trade policy of encouraging imports to alleviate the "dollar shortage."

DOLLAR SHORTAGE HITS UNITED STATES TAXPAYERS

The only dollar shortage there has ever been is the American taxpayer's dollar shortage. That is shorter than it has ever been, and we have not begun to see the beginning of it.

Reading further:

They noted that fish concessions were among the most important given to Canada, the nation which would be affected most severely by the imposition of fish quotas. Canada would be entitled to compensatory withdrawals if import quotas for fish were adopted. Since Canada is the most important export market for United States products in general, withdrawal of Canadian concessions might have a seriously adverse effect on our whole export trade.

Mr. President, this protection is needed, not only for the New England fishing industry, but also for the sardine industry, the shrimp industry, and all the commercial fisheries, as the facts set forth in the report so clearly show. Protection is needed in order to offset the low wages, the lack of taxes, and the other low costs of doing business in foreign countries, in just the same manner as other industries need protection. In that connection, a general policy has been established, and I shall describe it in more detail in the course of my remarks.

SCISSORS INDUSTRY DENIED RELIEF

Only yesterday the President of the United States refused to grant tariff protection to the scissors industry, a part of the cutlery industry, with respect to which the difference between the wages paid in the United States and those paid in the countries that are the source of scissors imports into the United States is so marked.

GIVE AMERICAN PRODUCERS EQUAL ACCESS TO AMERICAN MARKETS

Mr. President, the State Department is now preparing for a ninth go-around of trade concessions and give-aways to low-wage foreign countries, based upon the 1934 Trade Agreements Act, under which the executive branch of the Government exercises the constitutional responsibility of the legislative branch to regulate the domestic economy, through the adjustment of the duties, excises, and imposts we have been calling tariffs and import fees. The State Department is doing that, despite the following facts:

First, American industries today are reeling from the effects of past State Department "sell-outs" to the advantage of foreign factories and the sweatshop labor of foreign countries.

Second, employment in American industries subject to the impact of foreign competition continues to plunge downward.

Third, the Trade Agreements Act of 1934, under which the State Department

assumes powers to pamper foreign industries and to purge American payrolls and American industries from this Nation's industrial map, will expire on June 12 of this year.

GIVE UNITED STATES INDUSTRY EQUAL ACCESS TO AMERICAN MARKETS

Mr. President, the responsibility for the regulation of the Nation's economy will revert to Congress, in accordance with the Constitution of the United States, on June 12, at midnight, if the Congress simply declines to take action on that subject. In that event, Congress again will be the regulator of the national economy, as the Constitution provides that Congress must. Upon the expiration of that act, the Tariff Commission, an agent of the Congress, will be charged with the adjustment of duties and tariffs on the basis of fair and reasonable competition, and to give American producers equal access to the American market. Is that asking too much, Mr. President?

Mr. President, our State Department is working on a new international trade shuffle scheduled for October, 4 months after the authority of the executive branch to put our economy and our industries on foreign auction blocks is due to end. The State Department's plans for another round of trade-aways continue, nevertheless, while thousands of industrial employees are thrown out of work in our own mills and plants, the victims of a giveaway foreign trade program; and while investments in American industries are being further threatened.

TEXTILE PAYROLLS DOWN 128,200

Textile mills, for example, dropped 128,200 production workers from their payrolls between April 1953 and April of this year. Eight thousand seven hundred lost their jobs last month. Meanwhile, textile imports pour in from abroad; and the State Department advocates further tariff cuts.

WE STORE AMERICAN PRODUCTS WHILE IMPORTING GOODS FROM ABROAD

Mr. President, I have listened with much interest to the debate on the question of establishing a fund for research and investigation in connection with the fishing industry. We are now stabilizing the production of commodities in foreign countries, through our free-trade agreements. Butter is being imported from Belgium and the Low Countries. Barley, wheat, and other grains are being imported from Canada, and are being purchased by the United States, by means of appropriations made by Congress; and then those commodities are placed in cribs. At present we have in storage three entire crops of corn and wheat. We have storage bins lined up, almost like Brown's cows, all the way from western Kansas to the Pacific coast; and, at the same time, hungry cattle and sheep are to be found all the way from Kansas to the Pacific coast, because at present prices it is not possible to feed that corn and wheat to them.

BARLEY, RYE IMPORTS GROW

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

The PRESIDING OFFICER (Mr. BARRETT in the chair). Does the Senator from Nevada yield to the Senator from North Dakota?

Mr. MALONE. I yield.

Mr. LANGER. I know the Senator from Nevada will be interested in the official figures in regard to barley and rye. In 1953, from July 1 to December 30, we imported 11,512,000 bushels. In 1952, during the same months, we imported only 1,304,000 bushels. So in 1953, we imported 10 times as much as we did in 1952, despite the fact that the farmers of the United States by an overwhelming vote decided to limit the acreage quotas on wheat, with the result that a great many additional acres were planted in rye.

Let me add that we tried desperately to get the President of the United States to keep out the foreign products. It was not until a few weeks ago that we were able to have any action at all taken in that connection.

During the same period of time the United States imported 21,761,000 bushels of barley. Naturally, the farmers of the Northwest, having excess land because of the acreage limitations on wheat, are going to raise more barley this year than they have ever raised before. The result will be that the Commodity Credit Corporation will have a terrific loss.

I desire to compliment my friend, the Senator from Nevada, for his remarks. We have discussed this matter before. I wish to compliment him for bringing it again to the attention of the Senate.

Mr. MALONE. Mr. President, I wish to ask a question of the distinguished Senator from North Dakota: Does he believe that if the Congress decides not to renew or extend the 1934 Trade Agreements Act, called the Reciprocal Trade Act—a catch phrase used in order "to sell" free trade to the American people and make it sound nice—the constitutional responsibility of Congress will revert to the Tariff Commission, an agency of Congress. The Tariff Commission will then, in accordance with the law, set the tariffs and will determine them on the basis of the difference between the cost of production in the United States and the cost of production in the countries of the foreign producers. The Tariff Commission will establish that differential on the basis of fair and reasonable competition. Does not the Senator from North Dakota believe that will be the fair and reasonable thing to do?

Mr. LANGER. Yes. It seems to me that will meet the situation.

Mr. MALONE. I thank the Senator from North Dakota.

Mr. President, the difficulties facing agriculture and fishing constitute only one phase of the problem, for similar difficulties confront the production of minerals, the textile industry, and virtually all other manufacturing industries in the United States. They are reflected in official figures of employment declines in many important industries.

JOBS GO AS IMPORTS POUR IN

Hit by imports, the apparel and finished textile products industries dropped

62,700 production workers between April 1953 and April of this year.

Electric machinery payrolls are down 136,000 while the Department of the Interior and the Corps of Army Engineers spend millions of taxpayers' dollars on foreign electrical equipment to be used at Government power projects, also paid for by the taxpayers.

Ordnance and accessories employment has dropped 51,400, while the Randall Commission's majority report recommends greater defense procurement from foreign factories.

Seventy-one thousand one hundred lumber and wood workers have been thrown out of work, while ships from foreign countries bring in vast quantities of foreign lumber, plywood, hardboard, and other forest products.

The primary metal industry is down 161,300 employees since April 1953, according to the latest Department of Labor report on employment.

Employment in the stone, clay, and glass industries has slipped 35,400 in the same period; chemicals, 33,300; leather and leather products, 28,700; instruments, 21,300; fabricated metal products other than ordnance, machinery, and transportation, 119,300; and machinery, except electrical, 162,000.

Each of these industries is forced to compete with imports from low-wage foreign countries subsidized by millions or billions in American aid.

MORE JOBS THREATENED

Proposals of the free-trade clique within and without the State Department and of Clarence B. Randall, chairman of the so-called Randall Commission and promulgator of the Randall report, would give these imports, which are throwing thousands of Americans out of work, greater and easier access to our markets.

Mr. Randall, I am informed, is heading up the "interagency work" in preparation for the ninth round of trade concessions I referred to at the beginning of my remarks.

Mr. Samuel C. Waugh, an erstwhile banker serving currently as Assistant Secretary of State for Economic Affairs, is directing the State Department's participation in the program or scheme.

The up-coming go-around of give-aways will, if it occurs, be the ninth session of the so-called contracting parties to the General Agreement on Tariffs and Trade, better known as GATT, an international socialistic creation that never has been approved by Congress.

In fact this so-called agreement has never been presented to the Congress by our State Department and, in the opinion of the junior Senator from Nevada it is very questionable whether the United States of America is a contracting party at all.

Nevertheless, our State Department, at eight previous GATT sessions has stripped many basic American industries of essential protection against cut-rate, subsidized foreign competition, with the result that today these industries have their backs to the wall, and thousands of their former workers are jobless. A ninth session might, of course, finish

them off entirely, turning their jobs and business over to favored foreigners.

RESTORE STATE DEPARTMENT TO PROPER FUNCTIONS

For the sake of America's 93 distressed areas, scores of depressed industries, and several million unemployed production workers, the junior Senator from Nevada hopes that no ninth GATT session takes place. GATT is simply no good for American industry, labor, and economy; and the record shows it.

Expiration of the Trade Agreements Act on June 12, 1954, would relieve the present administration of any excuse for a ninth session at which, as in past sessions, American payroll and investments could, and doubtless would, be sacrificed.

With expiration of the Trade Agreements Act of 1934 our Government would then revert to the Tariff Act of 1930, under which tariffs would be adjusted on the basis of fair and reasonable competition with the principal competing country, restoring American production and payrolls, and giving to the American workmen and the American producer equal access to the American market.

Such adjustments would be made by the United States Tariff Commission, an agency of Congress, not by the State Department, a political agency concerned primarily with international interests and unfamiliar with American industries and economy. Both the State Department and the American people would thereby profit.

Relieved of its economic chores, to which it is so obviously unsuited, the State Department could then concentrate on its proper diplomatic problems and perhaps, would deal with them more effectively than it has been dealing with them the past 20 tragic years of wars or preparation for wars, resulting from our fumbling foreign policy.

FREETRADERS SACRIFICE ECONOMY TO FOREIGN INTERESTS

During a prior administration, Mr. Acheson and his deputy testified many times before Senate committees that it was impossible to separate the foreign policy from the domestic economy, and therefore that it was necessary then to make certain trades—to trade the markets of the American worker and the American producer for political concessions. But they were talking on the basis of the 1934 Trade Agreements Act, which placed in the executive—meaning the State Department, for all practical purposes—the constitutional authority of the Congress of the United States to regulate foreign trade and to adjust the duties, excises, and imposts which we call tariffs or import fees. While the Congress tied together foreign policy and regulation of the domestic economy, the Constitution of the United States pointedly separates regulation of the domestic economy and the fixing of foreign policy. The regulation of the domestic economy was placed under the legislative branch, not the executive branch. Article I, section 8, definitely places regulation of the domestic economy in the legislative branch, whereas the fixing of foreign policy is placed in the executive branch.

TEXTILE INDUSTRY SEES NEED FOR TARIFFS

To return to our economic picture, more and more leaders of industry are convinced that the only proper and permanent relief that will protect investments and payrolls from unfair foreign competition is a tariff system such as our Founding Fathers gave us and which for 160 years was the backbone of American progress.

FACTS SHOW DISTRESS CAUSES

Such views have been expressed by southern textile authorities, as will be set forth by the junior Senator from Nevada later in his remarks.

They have been expressed by the New England Textile Committee, comprised of labor, management, and public members from the six New England States—Maine, Massachusetts, Rhode Island, Connecticut, New Hampshire, and Vermont.

It so happens that the same States, practically, are adversely affected by the trade agreements which relate to the fishing industry, and as to which the report on the bill now under discussion sets forth the harm already done to the fishing industry by foreign imports under the lowered tariff system through agreements made by the State Department under the 1934 Trade Agreements Act.

A return to fair and reasonable tariffs has been asked by officials of the National Association of Wool Manufacturers, which submitted to the recent Randall Commission a list of all woolen and worsted mills in the United States closed or liquidated during the period January 1, 1949, to December 1, 1953. The junior Senator from Nevada proposes to offer this list for the RECORD later in his remarks.

They have been expressed by the cotton-textiles industry, as will be detailed also.

They have been expressed by both labor and management in minerals and mining industries, which the junior Senator from Nevada will discuss at a subsequent time.

And they have been expressed by working executives and members of many other industries, as will be detailed at a later date by the junior Senator from Nevada.

EXPORT JOBS: IMPORT UNEMPLOYMENT

Mr. President, the junior Senator from Nevada has no hesitancy about presenting these facts of economic distress caused by low-wage, low-tax, low-tariff imports. He feels that full knowledge of these facts is imperative if we are to counter the propaganda for free trade, disseminated in part by spokesmen who are exporting jobs and work abroad to factories or subsidiaries in foreign lands and who thus seek lower tariffs for their own selfish interests.

Mr. R. J. Jewell, outgoing president of the Cotton Manufacturers Association of Georgia, discusses this in a signed article published in the April 26, 1954, issue of the Journal of Commerce. He states:

Amidst the confusion resulting from our desire to find some means of assisting foreign countries to reestablish their economies aside from direct dollar aid, there has arisen

in some quarters an unrestrained demand for so-called free trade.

Out of this demand there emerged the dangerous and misleading slogan, Trade, Not Aid.

In the past, industry generally has been pretty well agreed upon the merits of fair tariff protection. More recently—

And here we get to the worm in the apple—

There has arisen a schism within its ranks, and a few powerful business groups, of which certain manufacturers of automobiles and business machines are typical, have begun to clamor for a drastic lowering of our already low tariffs. They have joined voices with the agricultural group which desires to sell its surplus products in a free world market while operating, at the same time, in a price-supported domestic market.

TAXPAYERS TAKE "RAP"

Mr. President, the only way we can sell agricultural products in Europe is by letting the taxpayers of America take the "rap" to the extent of approximately 50 percent, 60 percent, and perhaps 70 percent of the price. In addition, the taxpayers are assessed an even greater amount by sending agricultural machinery and industrial machinery to Europe, resulting in further competition with the domestic producers.

Continuing to quote from Mr. Jewell:

This problem of foreign economic policy—

Mr. Jewell continues—

with particular respect to the tariff, presents perhaps the most serious situation now confronting our industry, and upon its solution may well depend the future of textiles in America.

Later in his article, Mr. Jewell states:

I do not have to tell you that without adequate tariff protection the textile industry in the United States will shrivel up and perish.

Mr. President, I might say at this point that a very prominent industrialist in the chemical industry told the administration in words of one syllable that if something is not done soon the chemical industry will end up back on the Rhine, where it started before World War I.

Every industry in the United States is in the same boat.

FOREIGN WAGE SCALES FRACTION OF OUR OWN

I continue to quote from Mr. Jewell:

It would be utterly impossible for us to maintain the wage scale which our workers now are paid, the high standards of living to which they have become accustomed, and to provide for replacements and fair capital return if we are forced to compete in world markets against wage scales ranging from 10 to 20 percent of our own.

Mr. Jewell then reports on the findings of industry representatives who recently visited Japan, and these are some of the facts to which I referred a few moments ago. He states:

Some private concerns have recently sent representatives to Japan to investigate textile conditions in that country, and they have found that under the American occupation, with American know-how and direction, the Japanese industry has been rebuilt to a very high peak of efficiency, using Japanese machines.

They found that the average wage paid to textile employees was \$11 to \$14 per month, and that the workload had been increased considerably over that prevailing prior to the war.

The result of the one particular investigation is a reluctance on the part of the concern involved to increase its investment in American textile facilities.

Until this matter of tariff protection and foreign trade has been properly settled and a definite and equitable trade policy established by our Government, this industry will remain in grave danger.

We can even be destroyed by our friends and well-wishers through ignorance on their part.

CITES TORQUAY SELLOUT

Mr. President, I wish to call particular attention to that last statement of the retiring president of the Cotton Manufacturers Association of Georgia, in which he says:

We can even be destroyed by our friends and well-wishers through ignorance on their part.

That statement is equally applicable to the Congress and to the United States Senate if we persist in continuing the policies of socialized international trade incorporated in the Trade Agreements Act of 1934 and expanded through creation of the thing called GATT—General Agreement on Tariffs and Trade—which has never even been presented to the Senate for its consideration.

The State Department has persistently shrouded its GATT connivings and trade-aways during their involvement under a blanket of obscurities. GATT sessions are veiled in secrecy and held in foreign hideaways like Annecy, France, Geneva, Switzerland, or Torquay, England. The trade-outs do not become public knowledge until after they have become a fait accompli.

For example, at Torquay, England, an important market for American textiles was dissipated by concessions granted Cuba, through concessions of higher Cuban tariffs, while our own State Department has consistently sought to lower ours. I ask unanimous consent to place in the RECORD at this point in my remarks, data prepared by the Textile Association of the United States on concessions granted Cuba on textile items at the Torquay conference.

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

GATT CONCESSIONS TO CUBA

The Textile Association of the United States has reported that sales of American cotton and rayon textiles to Cuba in the 2 years since the Torquay tariff agreement went into effect dropped by 56.3 million square yards.

Translated into terms of cents per yard on the principal textile items U. S. A. exports to Cuba, the concessions obtained by Cuba line up as follows:

[Cents per yard unless otherwise stated]

	Old rate	New rate	Percent increase
COTTON			
100x60s white broadcloths.....	2.90	4.48	54.48
100x60s dyed broadcloths.....	3.77	5.70	51.19
80x80s print cloth dyed.....	3.77	6.00	59.15
80x80s percales.....	2.72	5.95	118.75
64x60s percales.....	1.95	4.68	140.00
60x48s percales.....	3.00	4.38	46.00
White drills.....	8.38	11.40	36.04
Dyed 2.50-yard sheetings.....	4.40	11.20	154.55
3.90-yard chambray.....	3.61	6.68	85.04
3.20-yard chambray.....	4.40	7.12	61.82
2.20-yard denims.....	7.62	11.98	57.22
72-inch white sheetings.....	5.41	10.00	84.84
Type 128 sheets (per dozen).....	\$3.075	\$5.68	84.71

[Cents per yard unless otherwise stated]

	Old rate	New rate	Percent increase
RAYONS			
Rayon suitings (12 threads).....	3.87	31.50	714
Rayon suitings (15 threads).....	4.13	28.87	599
Multifilament rayon crepes.....	4.90	25.37	418
72x64s plain French crepes.....	3.17	11.43	261
72x64s printed French crepes.....	2.12	10.13	378
82x64s plain French crepes.....	5.81	13.10	125
82x64s printed French crepes.....	3.88	11.27	190
Spun rayon prints (14 threads).....	2.82	13.52	379
Spun rayon dyed plain (14 threads).....	4.11	15.80	284
Spun rayon printed.....	2.61	12.91	395
Rayon and cotton blankets (unit).....	.48	\$1.43	198

WOOL CLOTH IMPORTS SET RECORD

Mr. MALONE. Mr. President, it is pertinent at this time to turn our attention from the plight of the cotton-textile industry to that of the woolen- and worsteds-textile industry.

The Journal of Commerce, on May 6, carried a signed article by Mr. Edwin Wilkinson, executive vice president of the National Association of Wool Manufacturers, in which he stated, in part:

Rising imports of woolen and worsted fabrics are a problem of increasing concern to the wool manufacturers in the United States.

This is especially so in view of the great hue and cry for freer trade, made in most cases with little or no consideration of the adverse effect on many essential industries, including textiles.

In 1953, in spite of declining production here, imports of wool cloth climbed to 24,275,000 square yards, thus surpassing the 30-year record high set in 1952.

Because of poor conditions and the fact that the industry is made up mainly of small-business enterprises, the imports are harmful out of proportion to the volume. Unfortunately, there is reason to believe the competition from low-wage foreign mills is merely in its infancy.

Mr. Wilkinson continues:

Comparing 1953 with 1939, the increase in imports is alarming, to say the least. Imports from the United Kingdom have gained 76 percent; from Italy, 524 percent; from France, 60 percent; and from Switzerland, 845 percent.

FREE TRADE MEANS SUBSERVIENCE TO FOREIGN CARTELS

Japan, which, before World War II, was beginning to gain a foothold here, again is actively striving for a share of the American market. The wage gap between American and British mills—\$1.55 per hour here against 42 cents there—is bad enough, but in Japan the average hourly pay is only about 13 cents.

Present tariffs fail to equalize the wage gap.

From the viewpoint of stimulating world trade, can it seriously be argued that it is better to have these foreign workers employed at low wages while American workers idle at a high wage rate and watch their jobs vanish as imports increase?

Mr. Wilkinson continues:

The freetraders often use the price differential as an argument. They point to how cheaply we can buy foreign products. This, of course, ignores completely the loss of corporate and personal income taxes which is suffered when a large volume of imports is permitted.

I digress, Mr. President, to say that it also ignores the fact that when an industry is destroyed in this Nation the high standard of living is destroyed through

competition with low-wage labor abroad. Then prices are raised to what the traffic will bear. It is like a gasoline pipe with a gas station on each end. Both stations may be selling gas for 2 cents a gallon, but when one of them goes out of business we then pay "through the nose" for the losses which have been sustained up to that time.

Quoting further, Mr. President:

But beyond that, if there were no woolen-worsted industry here if it was not large enough to meet American needs, this country soon would discover its mistake.

Europe and other parts of the world, with their cartels, soon would be charging us much more than we now are paying for American goods produced by American workmen under the American standard of living.

Members of this association contend: Let us stimulate world trade in the goods and services nations need and do not have. Let us establish a tariff policy based on need—need in the national interest.

NEW ENGLAND TEXTILE GROUP SUBMITS REPORT

Mr. President, the New England Textile Committee, to which I previously referred, made a detailed report on April 7, 1954, copies of which, I am informed, were sent to the governors of the six New England States and to their delegations in the Congress.

Later in my remarks I shall submit the complete report for the RECORD but at this time I wish to call attention to the splendid summary, its recommendations, and the reasons set forth for these recommendations. The summary begins as follows:

The subject of tariffs is of vital importance to the New England textile industry, one of New England's most important industries, employing over 220,000 workers. The recommendations follow:

1. That there should be no further reductions in tariff rates on any of the different classes of textiles.
2. That tariff rates should be raised on textile products where foreign imports cause or threaten to cause unemployment in any segment of the industry.

REASONS FOR FAIR TARIFFS STATED

Then follow the reasons. They are:

REASONS

The New England textile industry, consisting of over 1,500 establishments, is an industry of highly competitive small businesses and needs protection from low-wage foreign competition. Foreign wage differentials of 200 to 1,400 percent are not offset by superior productivity of New England mills, in part due to the sharing of technical know-how with our foreign neighbors.

Today, the textile industry's rise from a state of depression involving widespread unemployment in New England is being hindered by increased imports of foreign textile products, duty paid, at prices below those of United States producers. Meanwhile, displaced New England textile workers are experiencing difficulty in finding new jobs and are being carried on the rolls of the unemployed.

Our standard of living and national security will be severely injured unless some means is provided to grant relief to the textile industry as needed.

Unlike other industries, entrance and exodus from textiles is quick, and the industry is subject to very rapid economic changes, which characteristics have to be considered in the formulation of tariff policies.

STATE DEPARTMENT HAMPERS EXPORTS

Mr. President, in this connection I ask also that there be placed in the RECORD

at this point in my remarks an article from the April 9, 1954 issue of the Journal of Commerce titled "Whitin President Hits Tariff Policy."

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

WHITIN PRESIDENT HITS TARIFF POLICY

WHITINSVILLE, MASS., April 8.—The drive of the State Department to remove so-called tariff barriers in its "trade not aid" program will spell the doom of many American industries, J. Hugh Bolton, president of the Whitin Machine Works, says in the current issue of the Whitin Review.

Mr. Bolton is a member of the board of directors of the American Textile Machinery Association, and past president of the organization.

"Even the advocates of no tariff admit that certain industries would be badly hurt under this program," Mr. Bolton said.

Mr. Bolton said that although there is a great "hue and cry" for the removal of American tariffs so that countries who have been receiving United States dollar aid may ship their goods and services to this country without restriction, nothing is being said or has been said about these same countries removing their tariff and licensing restrictions against American goods.

SEE DANGER NOW

Mr. Bolton said that where 2 years ago a "great many" major American industries would have disagreed with him, large segments of other major industries in this country are now awakening to the fact that if this policy is pursued further there will be grave danger to American industry.

"The United States cannot afford to lose any of its industries. I admit that it is essential that we have a prosperous Europe, in-

cluding Great Britain, but it would be suicide, both for ourselves and Europe, to build foreign countries up at the expense of American industry and enterprise."

"For example, this country gives outright grants in dollars to foreign governments in order to help them build up their industrial potentials. These same foreign governments would like to buy American machinery with their dollar grants, but the United States State Department representatives deny them that privilege and insist that they purchase their needed heavy equipment from other foreign markets. That, of course, directly affects our own export markets."

Mr. Bolton believes the time to fight the fallacy of "free trade" has arrived. And he says: "Almost without exception European governments subsidize exports in one way or another. That makes for exceedingly difficult competition. In spite of that, we have been willing to take our chances as long as our domestic market was not attacked with low-priced subsidized machinery. Now that is being done. It is time to fight for our own survival as an industry."

IMPORTS FORCE MILL CLOSURES

Mr. MALONE. Mr. President, Mr. Bolton appropriately comments that although there has been a great hue and cry for the removal of American tariffs so that countries who have been receiving dollar aid may ship their goods and services to this country without restriction, nothing is being said or has been said about these same countries removing their tariff and licensing restrictions against American goods.

At an appropriate time I propose to discuss these restrictions, about which our free-trade propagandists are consistently silent.

However, at present I wish to revert to the statement submitted by the National Association of Wool Manufacturers in December to the so-called Randall Commission, headed by Clarence B. Randall, who now is rounding up administrative agencies for our ninth go at international tariff shuffling.

The facts presented by the National Association of Wool Manufacturers were, to all effects and purposes, ignored by Mr. Randall, if, indeed, he read or studied them. They cited the effects of imports on that important industry and as further evidence submitted a list of all woolen and worsted mills of which they had a record that had been liquidated or had gone out of business from January 1, 1949, to December 1, 1953, the date that the statement was submitted to the Commission.

Other mills have closed since then according to information that has reached the junior Senator from Nevada, but the list of those previously closed down is sufficiently lengthy and significant to show what is taking place nationally to the woolen and worsted manufacturing industry during the period when foreign aid and State Department favoritism to foreign industries were deluging the American market with more than \$4½ billion worth of foreign textiles.

Mr. President, I ask unanimous consent that the list to which I have referred be printed in the RECORD at this point as a part of my remarks.

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

EXHIBIT B-I.—Woolen and worsted mills liquidated or out of business since Jan. 1, 1949

Company and location	Affiliation	Spindles	Looms	Employees	Company and location	Affiliation	Spindles	Looms	Employees
NEW ENGLAND STATES					NEW ENGLAND STATES—Continued				
MAINE					MASSACHUSETTS—continued				
Brown Mills (AW Co.), Dover-Foxcroft	CIO	6,240	96	150	Chute Worsted Co., Brockton		2,464		50
Camden Textile, Inc., Camden			60	125	Franklin Yarn Co., Franklin	CIO	6,480		50
Deema Woolen Co., Sabattus		2,640	40	150	Hayward-Schuster Woolen Mills, Millbury	CIO	5,808	88	500
Dumbarton Woolen Mills, Sangerville	AFL	2,240	32	100	Hayward-Schuster Woolen Mills, Manchaug	CIO	3,450	72	500
Georges River Woolen Co., Warren		1,540	30	125	Hopeville Manufacturing Co., Worcester	CIO	2,400	118	600
Hughes Woolen Co., Camden		3,284	40	150	Lawrence Blanket Co., Webster	CIO			125
Moosehead Woolen Co., Corina	AFL	7,000		300	Lawrence Woolen Co., Lawrence		6,446	120	400
Pioneer Mills (AW Co.), Pittsfield	CIO	4,400	72	300	E. Frank Lewis Mills, Lawrence	AFL			100
Rocky Gorge Woolen Co., South Berwick		2,700	38	250	Lowell Woolen Mills, Lowell	AFL	2,160		75
Winthrop Mills, Winthrop	AFL	5,496	156	500	Medway Mills, W. Medway	CIO	1,872	20	130
NEW HAMPSHIRE					RHODE ISLAND				
Cocheo Woolen Manufacturing Co., East Rochester	Ind.	7,600	120	425	Paragon Spinning Co., Millbury		2,530		50
Dodge Davis Manufacturing Co., Bristol	CIO		30	75	Royal Spinning Co., Lowell	AFL	4,800		90
Gordon Woolen Co., Newport	CIO	4,992	64	300	Rohmer Medford Wool Scouring, Medford	AFL			100
Hampshire Worsted Mills, Manchester	AFL	8,500	175	300	South Acton Woolen Co., South Acton	CIO			90
Harris-Emery Co., Penacook	CIO	5,200	67	230	Sterling Mills Co., Worcester	CIO	4,880	48	200
Hillsboro Woolen Mills, Hillsboro	CIO	4,560	48	310	Taft Mill, Oxford		1,876	88	105
Lion Yarn Co., Manchester		7,488		125	Thayer Woolen Co., North Oxford		1,944	36	125
Sawyer Mill (AW Co.), Dover	CIO	3,960	114	393	M. T. Stevens (Pentucket), Haverhill	CIO		150	400
R. C. Swan Co., Keene		900		250	Vee Cee Spinning, Inc., Lowell	AFL	1,000		75
VERMONT					CONNECTICUT				
Gay Bros. (Gaymount and Green Mountain Mills), Ludlow	CIO	2,000	51	400	S. Blumenthal & Co., Inc., Shelton	CIO			100
Harris-Emery Co., Quechee	CIO	3,220	30	135	Griswold Mills, Voluntown		2,000		100
Mountain Woolen Co., Ludlow		2,550	22	150	Killingly Worsted Mills, Danielson		1,400	82	150
Suffolk Knitting Co., Bennington				200	Moodus Yarn Co., Moodus				100
John T. Slack Corp., Springfield	CIO			125	Putnam Worsted Mills, Putnam	CIO		36	100
Valentine Mills, Bennington		2,160	20	125	Rhode Island Worsted Co., Stafford Springs		7,000	69	400
Verd-Mont Woolen Co., Ludlow		1,440	12	85	M. T. Stevens (Hockanum), Rockville	CIO	23,000	490	1,500
MASSACHUSETTS									
Assabet Mills (AW Co.), Maynard			210	650					
United States Bunting Mill (Ames Textile Corp.), Lowell			210	650					
Arlington Mills, Lawrence	AFL	104,000	642	7,700					
Ayer Mills (AW Co.), Lawrence	CIO	58,336	384	2,657					
Arden Mills (AW Co.), Fitchburg	CIO		144	406					
Atkinson Spinning Co., Lowell		2,616		100					
Bachmann Uxbridge W. Co., Fall River	CIO	19,010		125					
Bachmann Uxbridge W. Co., Lowell	CIO		144	310					
Bradford Spinning Co., Hudson	CIO	16,600		400					

EXHIBIT B-I.—Woolen and worsted mills liquidated or out of business since Jan. 1, 1949—Continued

Company and location	Affiliation	Spindles	Looms	Em- ployees	Company and location	Affilia- tion	Spindles	Looms	Em- ployees
MIDDLE ATLANTIC STATES					SOUTHEASTERN STATES—Continued				
NEW YORK					VIRGINIA				
Broadalbin Mills, Inc., Broadalbin.....				350	Winchester Woolen Co., Winchester.....	AFL	2,592	32	420
Faith Mills, Averill Park.....	CIO	4,500		50	WEST VIRGINIA				
Fulton Mills (AW Co.), Fulton.....	CIO	34,000	288	895	Berkeley Woolen Co., Martinsburg.....	CIO	8,160	96	510
Globe Mills (AW Co.), Utica.....	CIO	18,384	147	200	Dunn Woolen Co., Martinsburg.....	CIO	7,210	72	200
High Rock Mills, Inc., Philmont.....		5,168	24	160	Potomac Wst. Spinning Mills, Keyser.....	CIO	5,000		75
Jamestown Worsted Mills, Jamestown.....	CIO	10,868	80	750	TENNESSEE				
Montgomery Worsted Mills, Montgomery.....		2,000		160	Sweetwater Woolen Mills, Sweetwater.....		7,520	84	500
Springdale Mills, Hudson.....			30	100	GEORGIA				
Thermo Mills, Hudson.....		2,040		150	Arcadia Woolen Co., Atlanta.....	CIO	4,150	56	400
Troy Yarn Co., Troy.....	Ind.	4,000		100	MIDWESTERN STATES				
Utica Knitting Co. (Knitting Cloth Depart- ment), Clayville.....	CIO	10,868	80	750	ILLINOIS				
Well Bros. Textiles (carpet yarn), Newburgh.....	CIO	2,316	200	300	Hanover Woolen Mills, Hanover.....	AFL	4,300	78	250
NEW JERSEY					INDIANA				
Raritan Mills, Raritan.....	CIO	6,432	100	350	Columbia Woolen Mill, Columbia City.....	AFL	3,635	46	250
Eavenson & Levering Co., Camden.....	CIO			650	La Porte Bachmann, La Porte.....	AFL	10,480	112	400
Howland Croft Sons & Co., Camden.....	CIO	13,500		490	MINNESOTA				
PENNSYLVANIA					WISCONSIN				
Ardross Worsted Co., Philadelphia.....	CIO		72	325	Alworth Woolen Mills, Duluth.....	CIO	1,080	28	100
Blue Ridge Woolen Co., Chambersburg.....		3,360	45	175	North Star Woolen Mill Co., Minneapolis.....	CIO	3,552	60	475
Geo. Brown's Sons, Inc., Mount Joy.....		5,292	24	160	PACIFIC COAST STATES				
Edwin & Louis Bry, Inc., Norristown.....	CIO	4,785	86	500	CALIFORNIA				
Cambridge Worsted Mills, Philadelphia.....			40	125	Humboldt Bay Woolen, Eureka.....	AFL	2,792	30	100
R. B. Dutt Co., Philadelphia.....				60	Treasured Fabric, Ltd., Santa Ana.....	CIO	130	17	75
Esterly Woolen Co., Esterly.....		2,280	25	130	Worth Bros., Los Angeles.....	CIO	4,800		120
Eagle Textile Manufacturing Co., Philadelphia.....			20	75	OREGON				
J. T. Gardner, Philadelphia.....			20	70	Eugene Woolen Co., Eugene.....	CIO	1,720	21	80
Haverdale Co., Philadelphia.....				50	Total.....	(9)	788,738	8,597	48,041
Keystone Worsted Mills, Philadelphia.....				150					
Mitchell & Walker (Shackamaxon), Philadel- phia.....		2,400	66	165					
Joseph E. Murphy, Philadelphia.....	CIO		50	200					
Prudential Worsted Co., Doylestown.....			96	50					
Roystand & Co., Philadelphia.....			18	125					
Sheppard Mills, Inc., Philadelphia.....			48	250					
Geo. W. Watt Woolen Co., Norristown.....	AFL	3,360	40	150					
Westmoreland Worsted Co., Philadelphia.....				600					
John Walther Fabrics Co., Philadelphia.....				550					
Thos. Wolstenholme Co., Philadelphia.....	Ind.	30,000		100					
Walther Manufacturing Co., Philadelphia.....	CIO		165	100					
Wynona Fabrics Inc., Philadelphia.....		2,550		600					
Yorkshire Mills (Chester Division), Chester.....	CIO		276						
SOUTHEASTERN STATES					MARYLAND				
MARYLAND					Meiville Woolen Co., Sykesville.....				
		4,830	60	125					

¹ Number of mills, 132; CIO, 59; AFL, 18; Independent, 5; no record, 50.
NOTE.—Leaders indicate either none or unknown.

EXHIBIT B-II.—Area breakdown, woolen and worsted mills liquidated or out of business since Jan. 1, 1949

Area	Number of mills	Union affiliation		Spindles	Looms	Em- ployees
		Yes	No			
Maine.....	10	5	5	35,520	564	2,150
New Hampshire.....	9	7	2	43,200	433	2,283
Vermont.....	7	3	4	11,370	135	1,095
Massachusetts.....	30	22	8	262,448	2,600	17,848
Rhode Island.....	11	8	3	157,262	1,275	7,124
Connecticut.....	7	3	4	33,400	677	2,250
New England.....	74	48	26	543,200	5,684	32,750
New York.....	12	7	5	88,396	769	4,331
New Jersey.....	3	3	0	19,932	100	1,490
Pennsylvania.....	23	7	16	54,027	1,071	4,610
Mid-Atlantic.....	38	17	21	162,355	1,940	10,431
Maryland.....	1	0	1	4,830	60	125
Virginia.....	1	1	0	2,592	32	420
West Virginia.....	3	3	0	20,370	168	785
Tennessee.....	1	0	1	7,520	84	500
Georgia.....	1	1	0	4,150	56	400
Southeast.....	7	5	2	39,562	400	2,230
Illinois.....	1	1	0	4,300	78	250
Indiana.....	2	2	0	14,115	158	650
Minnesota.....	2	2	0	4,632	88	575
Wisconsin.....	4	3	1	11,232	181	780
Midwest.....	9	8	1	34,279	505	2,255
California.....	3	3	0	7,722	47	295
Oregon.....	1	1	0	1,720	21	80
Pacific coast.....	4	4	0	9,442	68	375
Grand total.....	132	82	50	788,738	8,597	48,041

TEXT OF TEXTILE REPORT

Mr. MALONE. Mr. President, this is an extensive subject, and I do not wish to take up too much of the Senate's time on any given day. Instead, I prefer to discuss from time to time pertinent matters relating to the issue and information as it is being developed by affected industries and parties which are progressively being hurt by proforeign trade policies inaugurated in previous administrations but now being carried over by the present one.

At this time, however, I ask unanimous consent to place in the RECORD the seven-page text and one page of documentation of the New England Textile Committee's report on tariffs.

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

THE NEW ENGLAND TEXTILE COMMITTEE REPORT ON THE SUBJECT OF TARIFFS, APRIL 7, 1954

The importance of tariff rates to the New England textile industry and the current activity of the Federal Government relative to same have prompted the New England Textile Committee to conduct hearings for the purpose of discussing and studying this issue. This statement of the position of the New England Textile Committee on the tariff issue, for presentation to our New England

Governors, Congressmen, and to the general public, is the product of this careful study.

This report consists of a definition of the textile industry in New England, discussion of characteristics of the industry, the need for tariff protection, present tariff legislation, and recommendations of the New England Textile Committee.

NEW ENGLAND TEXTILE INDUSTRY

The textile industry is one of the most important industries in New England. New England mills constitute about 20 percent of the cotton, silk, and synthetic textile industry,¹ about 60 percent of the woolen and worsted textile industry,² and a sizable percentage of other textile industries, including manufacturers of lace goods, felt goods, coated fabrics, cotton cordage and twine, hats, carpets and rugs, knit goods, thread and yarn. The New England Textile Committee represents all of the textile mill products industries.

Over 16 percent of the people employed in New England manufacturing industries are directly employed in textiles, approximately 220,000 people in 1953.³

Another 220,000 people are indirectly dependent on the textile industry, as the loss of a textile job in a community may mean the loss of one additional job when the worker and his dependents cut their purchases from the grocer, the druggist, the department store, and the professions.⁴ Thus 1 in every 6 jobs in New England is directly or indirectly dependent on the welfare of the textile industry.

The New England textile industry represents capital investment in excess of \$1½ billion,⁵ value added by manufacture in 1952 of \$1,154,000,000,⁶ and would require investments of about \$3 billion to substitute new manufacturing jobs for textile jobs.⁷

The textile industry is not only essential to New England but is of great importance to the national economy. The total industry employs approximately 1,250,000 workers, has an annual gross product value of \$12 billion, pays taxes of \$1,250,000,000 annually, and had an investment at the end of 1952 of \$5½ billion, with total assets of about \$9 billion.

CHARACTERISTICS OF THE INDUSTRY

The characteristics of large employment, small size of units, geographical dispersion, high percentage of labor costs to other costs, free price competition, and military value make it mandatory that present tariff rates on textile mill products be maintained or increased in the interest of national welfare.

LARGE EMPLOYMENT

In addition to being one of the largest employers of labor, the industry is characterized by the fact that mills employ a relatively high proportion of the workers in the labor market area where they are located. Many mills are situated in small towns where they provide either the sole or principal source of outside income to the community. Other mills are located in tex-

tile centers, such as Rockville and Danielson, Conn.; Sanford, Biddeford, and Lewiston, Me.; Fall River, New Bedford, Lawrence, and Lowell, Mass.; Manchester and Keene, N. H.; Woonsocket and Providence, R. I.; and Winooski, Vt., where they represent a large proportion of the total manufacturing employment in the area.

SIZE OF UNITS

The textile industry typifies small business which the Federal Government is currently trying to assist on the one hand through the Small Business Administration, and is permitting to be injured on the other through reductions in textile tariffs.

The average number of employees in textile mills is very low in New England as well as in all regions of the United States and in all branches of the industry. In the United States, 43 percent of the textile mills employ less than 20 persons and 73 employ under 100 workers.⁸ The total industry is composed of over 9,000 mills, of which over 1,500 are in New England.

GEOGRAPHICAL DISPERSION

Only a relatively small number of textile mills are located in large metropolitan areas where there is a diversity of manufacturing and employment. Most of the mills are small, widely distributed, and located in small towns where a change or shift in demand for their output causes particular hardship on textile workers.

LABOR ORIENTED INDUSTRY

The entire industry is noted for its relatively high percentage of labor costs to other costs. In 1953, salaries and wages of the wool-textile industry represented 63 percent of the total value added by manufacture.⁹ In the case of the cotton and rayon broad-woven fabrics field, salaries and wages represented 67 percent of the total value added by manufacture in 1952.¹⁰ This labor cost is particularly important when one considers that raw-material costs are just as low or lower to other producers throughout the world. Government price-support policies tend to raise the cost of raw materials to American producers above the prevailing prices in the world market.

Uncontrolled competition from low-wage foreign producers can seriously damage the New England textile industry, the New England economy, and the national textile industry. In competition with foreign producers, the wage differential varies between 200 and 1,400 percent, and this in a labor oriented industry.¹¹ As a result, during 1953 textile products were entering the United States, duty paid, at prices substantially below those of domestic producers.¹²

The Government considers an area with 6 percent or more unemployment a surplus-labor area. As an example of what can happen in a short period of time in textiles, let us consider the case of the lace manufacturers, predominantly located in the Blackstone and Pawtuxet Valley areas of Rhode Island. In the 2 years following the reciprocal-trade agreements program with France, in conjunction with the devaluation of the French franc, which, in substance, meant still further tariff reduction, the lace industry in Rhode Island found itself with 66 percent of its workers unemployed and the remaining 34 percent working on an average

of 14½ hours a week.¹³ This shows how quickly foreign competition affects the textile industry.

PRICE COMPETITION

The outstanding characteristic of the textile industry is its highly competitive nature with the resulting low free market price of textiles to the consumer. In recent years textile profits as a percent of sales have been running below the average earnings of manufacturing industries generally. The textile industry is not making profits at the expense of the consumer under the protection of the present tariff.

MILITARY VALUE

Maintenance of a domestic textile industry is vital to our national security. During the 4 years, 1942-45, 51.4 percent of the production of cotton broad-woven goods in the United States went to the armed services.¹⁴ In the woolen industry, during the peak production years of 1942 and 1943, 51.5 percent and 48.8 percent respectively of domestic production went to the armed services.¹⁵ Any injury to the New England textile industry through tariff reductions could jeopardize national security.

TARIFF PROTECTION

In the interest of New England, our national security, and the national economy, present tariff rates on textile products must be maintained to protect the textile industry and its various segments from injury and unemployment caused by low wage foreign competition. When foreign imports cause or threaten to cause unemployment in any branch of the textile industry, tariff rates on the goods imported should be raised to prevent further injury and unemployment.

Textile workers laid off as a result of mill closings find it difficult to find jobs. Older textile workers are experiencing considerable difficulty in finding new jobs and if total textile employment declines it will be increasingly difficult for them to find any sort of employment according to a recent survey conducted by Northeastern University.¹⁶ Any reduction in tariff rates will only serve to aggravate the already serious problem of unemployment in some New England textile centers.

The textile industry is one of the first industries to develop in new industrial areas and in rehabilitated countries. Since World War II United States textile-machinery manufacturers have equipped many foreign mills. As a consequence, many foreign producers have machinery which is more modern and more efficient than the older machinery in many mills in the United States. With low wages, modern machinery and techniques, foreign producers can and will capture our domestic markets. Any advantage we enjoyed in the past in greater productivity and efficiency have been equalized by sharing our knowledge with our foreign neighbors. Fine-combed-cotton goods from Western Europe and Japan, Italian and Japanese velveteens, English typewriter cloth, English tweeds, and other foreign textiles are coming into this country in increasing numbers.

Since the inception of the textile industry, the Government has provided protection against foreign producers through the medium of the tariff. Under these condi-

¹ Statement of the National Association of Cotton Manufacturers and Northern Textile Association on the subject of tariffs before the New England Textile Committee, Mar. 10, 1954.

² Bureau of the Census, 1949.

³ Statement of the National Association of Cotton Manufacturers and Northern Textile Association, Mar. 10, 1954.

⁴ Report on the New England textile industry by committee appointed by the Conference of New England Governors, 1952, May 1, 1953.

⁵ Ibid.

⁶ Statement of the National Association of Cotton Manufacturers and Northern Textile Association, March 10, 1954.

⁷ Report on the New England Textile Industry, May 1, 1953.

⁸ U. S. Department of Commerce and Federal Security Agency, County Business Patterns, first quarter, 1949.

⁹ Statement submitted to the Commission on Foreign Economic Policy by the National Association of Wool Manufacturers, December 1953.

¹⁰ National Association of Cotton Manufacturers and Northern Textile Association, April 1954.

¹¹ Ibid.

¹² Ibid.

¹³ Testimony of National Association of Lace Manufacturers before the New England Textile Committee, March 10, 1954.

¹⁴ Statement of the National Association of Cotton Manufacturers and Northern Textile Association, March 10, 1954.

¹⁵ Statement submitted to the Commission on Foreign Economic Policy by the National Association of Wool Manufacturers, December 1953.

¹⁶ Bureau of Business and Economic Research at Northeastern University, January 25, 1954.

tions the industry has grown and developed a scale of wages commensurate with the American standard of living. Through reciprocal trade agreements during the last 20 years there have been large reductions in tariff rates on textiles. Any further reduction would be injurious to the industry and New England. The New England Textile Committee favors protection for workers, stockholders, and the public from the low-wage competition of foreign countries.

TARIFF LEGISLATION

Under present tariff rates, textile products are being imported in increasing quantities while domestic industry suffers from unemployment. The woolen and worsted industry is the prime example of this situation.

The Commission on Foreign Economic Policy, popularly known as the Randall Commission, has recommended further tariff reductions to the President. The New England Textile Committee is opposed to any further tariff reductions on textile products.

RECOMMENDATIONS

The New England Textile Committee recommends—

1. That there should be no further reductions in tariff rates on any of the different classes of textiles.

2. That tariff rates should be raised on textile products where foreign imports cause or threaten to cause unemployment in any segment of the industry.

AMERICAN TEXTILE JOBS DROP

Mr. MALONE. Mr. President, I ask unanimous consent to have placed in the RECORD a news account published in the Wall Street Journal Thursday, April 29, 1954, entitled "CIO Textile Union Reports 75,000 Drop in Contract-Covered Jobs." It also will be noted that the same account quotes Emil Rieve, president of the Textile Workers Union of America, as stating that total employment in the textile industry has dropped from 1,300,000 to a little more than 900,000.

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

CIO TEXTILE UNION REPORTS 75,000 DROP IN CONTRACT-COVERED JOBS

ATLANTIC CITY.—The CIO Textile Workers Union reported that slumping employment in the industry has brought a 2-year drop of 75,000 in the number of its workers covered by union contracts.

In a report to a meeting here of the union's executive council Emil Rieve, TWUA president, said the union now represents 325,000 men and women, compared with 400,000 2 years ago.

"In the same period," he said, "total employment in the textile industry has declined from 1,300,000 to a little more than 900,000. Therefore, while we are, of course, not satisfied to represent only one-third of the workers, we have held our own percentage-wise."

Mr. Rieve's figures include both dues-paying union members and nonmembers who work under TWUA contracts with the textile industry.

The union president said "raids" by the AFL United Textile Workers were only a small factor in the CIO's losses.

"Two years ago about 25,000 workers formerly under a TWUA contract voted to switch to the AFL," he said. "However, a good many of them have since voted to return to us, and others are in the process of doing so."

Mr. Rieve said the TWUA signed 185 new contracts covering 16,745 newly organized members in the past 2 years.

The executive committee is meeting prior to the start of the union's biennial convention here next Monday.

CASE OF THE "LOST" TEXTILE WORKERS

Mr. MALONE. Mr. President, these are, of course, American workers who have been displaced from their jobs—some 300,000 to 400,000 of them—not Cuban workers or Japanese textile workers, earning \$11 to \$14 a month, as reported by Georgia's Mr. R. J. Jewell.

What happens to textile workers thrown out of work?

Mr. President, the publication Business Week, issue of March 6, 1954, sought to answer this question with an article titled "Case of the 'Lost' Textile Workers." It reports the results of surveys made in New England. I ask unanimous consent that the article be printed in the RECORD at this point in my remarks.

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

CASE OF THE "LOST" TEXTILE WORKERS

When a New England textile mill closes its doors, what happens to the uprooted workers? That's a big question throughout New England today, and one that—so far—has never been adequately answered.

Unemployment figures tell only part of the story. That is clear in Lawrence, Mass., where many more textile jobs have been wiped out in recent years than are shown by jobless data and figures on expanded employment in other industries (BW—Dec. 19, 1953, p. 72). What happened to the rest?

TRACKING THEM DOWN

The bureau of business and economic research of Northeastern University, in Boston, is trying to find out in a survey of displaced workers in Lawrence—part of a broad study launched about a year ago that's now beginning to show some interesting results.

Under the direction of William H. Miernyk, the bureau has so far interviewed 756 workers from 3 liquidated mills in 3 cities—a woolen mill in New Hampshire, a cotton mill in Fall River, Mass., and a cotton mill in Lowell, Mass. After it winds up the survey in Lawrence, it plans to canvass displaced workers from 2 other Massachusetts mills and 1 in Rhode Island. When completed, the survey will show what happened to 2,000 laid-off textile workers.

THE GENERAL PICTURE

First findings, which later case studies probably will confirm, show:

Most of those laid off were still in the labor force, either employed or actively seeking employment, though a few of the displaced workers—mostly young married women or very old workers—dropped out within a year.

More men than women had been reemployed, and workers over 45 years of age were having a particularly hard time finding new jobs. Among the job seekers, 80 percent were drawing unemployment compensation when interviewed.

Most of those with new jobs were in other textile mills, in nonmanufacturing work, or in established relatively static "nongrowth" industries; comparatively few had found their way into newer, expanding growth industries—machinery, electronics, and the like.

The majority of the reemployed were earning less than before, and many had been downgraded—from skilled to semiskilled, or from semiskilled to unskilled classifications.

Most told interviewers they were unhappy in new jobs, in part because of the lower pay and rating, but also because they had lost seniority and saw little opportunity for advancement.

SHATTERED ILLUSION

According to Miernyk, these findings explode a myth that has gained currency among New England businessmen and many economists in the last few years: That growth industries, particularly electronics, have been taking up a lot of the textile slack in employment. That's not the way it looks, Miernyk says, commenting:

"In view of the recent public statements that New England will gain by the . . . diversification of industry, we feel that these findings are timely. . . . Statements by persons in important positions have created the cruel illusion that new jobs are to be provided for the displaced textile workers."

Diversification helps, but new industries evidently are filling jobs with newcomers in the labor market instead of with displaced textile workers, according to the bureau's findings. Of the first 756 workers checked, only 5 percent found jobs in growth industries.

VARIATIONS

Along with these general conclusions each of the first mills surveyed turned up some interesting sidelights.

In Fall River, the cotton mill management gave workers advance notice of the coming shutdown, and urged them to seek new jobs; but of 850 workers—not all of whom were contacted by bureau interviewers—only 19 found jobs before they were finally laid off. Many later wound up with new textile employment. Half of those displaced were idle less than 5 weeks after their layoffs, and 65 percent less than 10 weeks.

In Lowell, younger male workers found new jobs, but those over 45 years of age still were largely unemployed after a year; women in all age groups were having a harder time getting new jobs than men were.

In New Hampshire, the woolen mill closed in a one-factory town with a population of 1,500, miles away from any fair-sized city. The mill closing idled 200 workers. A leather products firm moved into the mill building, and reemployed part of the textile jobless. But 2 years after the shutdown, almost a third of the 200 laid off in the woolen mill were still out of work. For the other two-thirds, who got jobs, the average period of unemployment was about 5 months. Some 30 percent of them got textile jobs elsewhere, some as far as 64 miles from home; 50 percent took jobs in the leather products company—accepting downgrading and less pay; and 20 percent got a variety of other jobs.

WHAT HAPPENS TO JOBLESS WORKERS IN THREE TYPICAL MILLS?

Seven hundred and fifty-six were thrown out of work. A year later these were: Unemployed, 304; in other textile mills, 176; in nongrowth manufacturing industries, 120; in nonmanufacturing jobs, 90; in growth industries (except apparel), 36; in apparel industries, 30.

Growth manufacturing industries (except apparel): Fabricated metals, nonelectrical machinery, electrical machinery (including electronics), chemicals.

Nongrowth manufacturing industries: Leather and leather products, furniture, paper and paper products, printing, rubber, food and food products, jewelry, transportation equipment.

UNFAIR ACT EXPIRES JUNE 12

Mr. MALONE. Mr. President, in closing I wish to say that Congress has this matter in its own hands. All it has to do is to sit on soft cushions in air-conditioned rooms and pass nothing at all in regard to it.

At midnight, June 12, 1954, the 1934 Trade Agreements Act, called the Reciprocal Trade Act, will expire. The act is entitled "Reciprocal Trade," but it was

designed to sell free trade to the American people. It expires at midnight on June 12, 1954.

At 1 minute after midnight the authority to regulate tariffs will revert to the Tariff Commission, an agent of Congress, which already has been instructed by Congress, by law, to determine the cost of producing an article in this country—not the high cost, not the low cost, but the reasonable cost of a foreign-made similar article produced in the chief competitive nation—and to recommend that amount as the tariff. The tariff will represent the difference in wages, taxes, and other pertinent factors. This will account, for example, for the difference between the 14 cents an hour Japanese worker and the \$2 an hour American worker.

What will happen then? The trade agreements already made will remain in full force and effect until and unless the President of the United States serves 6 months' notice of cancellation on the country with which such trade agreement has been made. When that is done the industry so affected will come under the tariff law and will be subject to regulation on the basis of fair and reasonable competition through the imposition by the Tariff Commission, an agent of Congress, of tariffs or import fees, which the Constitution calls duties, imposts, and excises.

INFLATION CUT TARIFFS

But there is a third factor which must be considered. As the head of the Textile Association in Georgia has so well said, the inflation of 60 percent itself has lowered tariffs, duties, or excises, or whatever they may be called, 60 percent, because as the price is raised, the duty remains fixed. For example, an article costing 20 cents a yard would have a 5-cent-a-yard duty. If there were a 50 percent inflation, it would become a 40-cent-a-yard article. The duty would still be 5 cents a yard. Therefore, instead of a 25 percent duty or tariff, it would be a 12½ percent duty or tariff. That is another trick which is accomplished merely by the juggling of the money system. It is not the worst one, but it is one of the worst.

All that is necessary is that, instead of allowing the Tariff Commission, as it is now required, to fix a 50 percent leeway up or down on a fixed tariff on the basis of competition, is to give it full leeway and full right to regulate the tariff, and it will then become a fair tariff. The Tariff Commission would recommend the figure to be charged as a tariff or a duty. If the tariff is not entirely effective, let the Tariff Commission establish quotas for imports.

LEGISLATION TO RESTORE FAIR TARIFFS PENDING

I have had a bill before Congress for the last 6 years. It has been introduced in three Congresses. Some day I hope Congress will get around to it. The bill would allow the Tariff Commission, as an agent of Congress, to consider all the factors which affect foreign competition, including the juggling of the price of foreign money. At present the subject of foreign exchange is treated as a joke.

There is what is called a peril point. The Tariff Commission determines what

the peril point is at a particular time, because that is the point at which there might be injury to the domestic industry. Assume that the State Department should accept the peril point determined by the Tariff Commission. It never does, but suppose it does. Then suppose it makes a trade agreement on that basis for 3 years, and the agreement remains in full force and effect until the President serves 6 months' notice of cancellation. Before the ink is dry on the notice, the foreign nation can, and almost always does, change the price of its money, and it establishes a new price to apply to the particular product affected. This, in effect, places a tariff on the money. So in minutes after that great consideration is given by the State Department, another industry has been traded off.

I simply say again that it is not necessary for Congress to pass any legislation; it is merely necessary to review the conditions of industries in the United States, and to prevent the complete annihilation of the industries by sweatshop labor competition from abroad. Simply let the act expire. Expiration is long overdue.

VIOLATION OF RURAL ELECTRIFICATION ADMINISTRATION CONTRACTS

Mr. LANGER. Mr. President, only a few years ago, throughout the great Northwest—in fact, throughout almost the entire country—farmers did not have the REA. They did not have rural electrification. If a farmer wanted to hook up with the line of a private power company, even though the line was only a quarter of a mile away, he was charged between \$1,100 and \$1,300.

One of the finest measures ever passed by Congress to help farmers all over America was the Rural Electrification Act. This act was so popular that in the last campaign, when Dwight Eisenhower was a candidate for President, he openly pledged, on October 4, 1952, at Fargo, N. Dak., and at various other places, that if he were elected President, REA would be extended. That was at a time when Mr. Eisenhower was looking for votes. That was before the private power companies apparently had the Government by the throat through the Department of the Interior.

The farmers of the United States believed Mr. Eisenhower. They thought the REA cooperative would continue to get loans and would continue to extend transmission lines, or at least to have the Government extend them, whereby, in turn, they could obtain electric power. The farmers expected additional money to be appropriated, so that steam plants could be built.

If ever a promise was broken by a man after he was elected, this promise was broken by Dwight Eisenhower through the men he appointed to take charge of REA.

I am a Republican. I am proud of the fact that I am and have been a Republican in North Dakota for all these years. But I remember a time only a few years ago when there was before the Senate a bill to give to the men and women who work for the Government a decent pay

increase, and I told the late distinguished Senator from Ohio, Mr. Taft, that if the bill was not passed, I would ask every Federal worker in America to vote the Democratic ticket.

Mr. President, I am in a very fortunate position. I owe the Republican Party nothing. In the last presidential primary election every one of the candidates on the Republican ticket fought me. Their crowd sent their money into North Dakota to defeat me, and certain oil millionaires, headed by Mr. H. R. Cullen, of Texas, poured money into North Dakota, evidently because I was an enemy of the bill which would grant the tidelands oil to the States.

I come back to the situation relating to public power; and I say, in all seriousness, we are either going to continue to let the people have public power, as Dwight Eisenhower promised, we are either going to have an administration which is going to give small municipalities and farmers a square deal, or the senior Senator from North Dakota will be in the very forefront, saying to the rank and file of the people, "Don't believe any more promises made by the man who today occupies the White House."

I ask nothing from Dwight Eisenhower. I ask nothing from any single member of his Cabinet. There is nothing they can give me. Mr. President, every bit of allegiance which I owe is not to any party; it is to the man who is earning his living by the sweat of his brow, whether he is a Government worker in New York, a farmer in the hills and valleys of the Nation, a coal miner down in the bowels of the earth, or an ordinary, small-business man trying to survive in this day when the antitrust laws are not being enforced.

Mr. President, a shocking and startling story of disregard for law was testified to in a hearing, which I conducted yesterday afternoon, before the Subcommittee on Antitrust and Monopoly. It was charged by one of the witnesses, Mr. Truman Green, that Secretary McKay and the Department of the Interior had refused to honor a legal, valid, and binding contract between Southwest Power Association and the Central Electric Power Cooperative of Missouri, as well as other generation and transmission cooperatives in the southwestern area.

These cooperatives apparently have entered into contracts with Southwest Power Association for the sale of generated power and the lease of transmission lines to the Government. They performed their part of the contracts, and the SPA has been refusing to make the payments due under the contracts. The Central Electric Power Cooperative, after repeated efforts to obtain the moneys due it, and fearful that it would be starved out of existence, or forced to borrow money at high interest rates from outside sources—which would mean that it would have to raise the rates to the farmers and consumers—finally sued the Secretary of the Interior in the Washington courts. The court ruled in favor of the cooperative, Judge Edward Curran being the judge. According to the testimony no appeal has as yet been taken. Despite the fact that a court of

competent jurisdiction has ruled that the contracts are valid and binding, and that Congress has appropriated the money to pay these obligations, the Interior Department has refused to pay the money which is legally owing the cooperatives.

There are approximately 80,000 farm families who receive power through the facilities of Central Electric Power Cooperative. The economic position and well-being of the cooperative is seriously threatened by this refusal of the Government to carry out its legally binding obligations, as reaffirmed by a court of competent jurisdiction. This despite the fact that Congress appropriated in July of 1953 a fund of \$1,200,000 for precisely such payments.

Another witness, Floyd Gibson, general manager of the Oklahoma statewide electric cooperative, testified to a similar situation in the case of Western Farmers' Electric Cooperative, which services approximately 60,000 members in Oklahoma. The Western Cooperative also had a contract with SPA similar to the Missouri one to which I have just referred. By the end of March 1954 SPA owed the Western Cooperative some \$106,000 for power purchased, and not one dime has been paid by SPA to the cooperatives.

As chairman of the Committee on the Judiciary and the Subcommittee on Antitrust and Monopoly, I intend to get to the bottom of things and ascertain exactly what is taking place in the Department of the Interior. Believe me, Mr. President, I will get to the bottom of it.

I shall call upon Secretary McKay and Assistant Secretary Aandahl, and Douglas Wright, SPA Administrator, to explain the situation to the satisfaction of my committee and the farmers and consumers.

The farmers have fought too long and too hard for their REA's to let the Government disregard the law and contracts, and not to have somebody in the Senate who is representing them publicly protest when the farmers are being sandbagged, and when their throats are being cut, and when they are being threatened by the very Government which should help them. This is being done not by Dwight Eisenhower himself directly, but by Mr. McKay, Mr. Aandahl, and Mr. Wright, who are his hired men, whom he can remove at will. Dwight Eisenhower was the man who made the promise to the farmers of the United States in October 1952, at Fargo, N. Dak., and other places, when he said he had consulted all the leading Republican leaders he could contact, and that they were going to be friendly to REA.

I wish to read a part of the testimony which was given under oath before my subcommittee yesterday. The interrogator was the chief counsel, Mr. Sidney Davis, for the Antitrust and Monopoly Subcommittee of the Committee on the Judiciary of the United States Senate. Mr. Truman Green was on the stand:

Let me see if I can get this clear, Mr. Green. Is it your testimony that the Government entered into contracts with the Central Cooperative for the lease of transmission lines, that money was appropriated for payments

to be made by the Government to your cooperative under those contracts, that such moneys were never paid? Is that correct, sir?

Mr. GREEN. That is correct.

Mr. DAVIS. That subsequently you entered into interim contracts with the Government in an attempt to maintain the status quo until you could work out the situation; is that correct?

Mr. GREEN. That is correct.

Mr. DAVIS. Now, I ask you again, did the Government ever pay any rental under those contracts on those transmission lines?

Mr. GREEN. No, sir.

And he is under oath.

Mr. DAVIS. Did the Government ever pay its bills for the power which it purchased under those contracts?

Mr. GREEN. No, sir.

Mr. DAVIS. Can you tell us how much the Government owes your cooperative, roughly?

Mr. GREEN. Under our old contracts which we think are effective now, the Government would owe us approximately \$750,000. That is an estimate and it is approximately correct.

Mr. DAVIS. Then it is your testimony, is it not, that the Government owes your cooperative approximately \$750,000?

Mr. GREEN. That is to date.

Mr. DAVIS. For the period in question under these existing contracts?

Mr. GREEN. Yes.

Mr. DAVIS. Has the Government had the funds available to it, do you know, to pay these bills?

Mr. GREEN. We have contended all along that \$1,200,000 was available, and legally so, for the operation of these contracts; and to be sure of that, when we took the issue to the courts here in the District of Columbia, last fall, to see whether that money was legally available—

Mr. DAVIS. Before we get into that, I should like to ask you how long is it that the Government has owed you this money?

Mr. GREEN. Part of the money they owed us for over 18 months. That was the beginning of our lease rental.

Mr. President, I may say at this point that the Republican administration has been in power approximately 18 months. So it is a curious coincidence, I may say to the Members of the Senate, that during the same 18 months—the first 18 months of the administration of Dwight Eisenhower, the proclaimed friend of the Rural Electrification Administration—as stated at Fargo, N. Dak., on October 4, 1952—these cooperatives have been starving for money that Congress appropriated for them, but which they have not received up to the present time, although they have already been in court and have received judgment in their favor.

I read further:

Mr. DAVIS. Has the failure of the Government to pay the bills due you done any injury or had any bad effect on your cooperative?

Mr. GREEN. Yes.

We are in very serious financial condition due to the lack of working capital. By the purchase of coal for this steam plant and turning the power over to Southwestern Power Administration, our working capital is practically depleted.

In fact, we are now to the point where we just have not got funds to operate on. We will have to borrow the money, pay interest on new working capital, or make some other arrangement—we do not know what.

Mr. DAVIS. How will this situation affect your rates to farmers and consumers of the power from your cooperative?

Mr. GREEN. Our best estimate, if we are forced to go it alone without the lease-operating contracts as originally planned and buy power at the dam, without wheeling from the Government, the sale of steam power to the Government as was originally provided, our estimate is that the rates to the cooperative will be in the order of 12 or 13 mills.

Mr. DAVIS. Is that as contrasted to the present rate of 5.5 or 6 mills?

Mr. GREEN. Yes, sir.

In other words, Mr. President, the rates to the farmers, to the users there, would be doubled.

It is very interesting to read the correspondence between the Government and one of the cooperatives. I have before me a letter dated April 7, 1954, addressed to Douglas McKay, Secretary of the Interior, and Douglas G. Wright, Administrator of the Southwestern Power Administration, at Tulsa, Okla. The subject matter is the Southwestern Power Administration contracts. The letter and the reply to it are among the most interesting letters which I believe any Senator will have seen for a long time. The Government owes this cooperative \$750,000, and a court of competent jurisdiction has held that the cooperative is entitled to that amount. Furthermore, under the contract, there is no question at all that the cooperative is entitled to it. The cooperative wrote the following letter to Mr. McKay and Mr. Wright:

GENTLEMEN: The United States District Court for the District of Columbia has ruled that Congress did appropriate money for the current fiscal year from which the two contracts between Central Electric Power Cooperative and the Southwestern Power Administration may be implemented and carried out.

The court also ruled that your failure—

That is to say, the failure on the part of the United States Government—and refusal to carry out the two contracts was illegal and outside the scope of your authority.

Mr. President, a Federal judge in the District of Columbia ruled that Mr. McKay and Mr. Wright were proceeding illegally and outside the scope of their authority.

The letter continues, as follows:

You have received a copy of the order of the court. The decision was rendered by a judge who had previously served as United States district attorney for the District of Columbia, and who, by reason of that experience, is probably one of the most experienced Federal judges in matters of the type involved in the case brought by the Central Electric Power Cooperative.

The board of directors of the Central Electric Power Cooperative feels strongly that as a matter of fair play and good conscience it is entitled to have the department abide by the decision of the Federal court.

Mr. President, here are 80,000 farmers, 80,000 users, begging the Government to carry out a solemn contract entered into by the Government with the cooperative. The letter continues:

In addition there is no reason for the Department to take over the operation of Central's transmission lines. The effect of complying with the court's order would be only to compensate Central pursuant to the terms of the contracts, which the court has held Central is legally entitled to have done.

The board of directors of Central is of the firm opinion that failure by you now to carry out the two contracts in the manner authorized by the order of the Federal court demonstrates that you either are attempting to delay performance for a sufficient time to avoid any performance, or that you have reason for such action not known and not communicated to us.

The board of directors ask that you immediately arrange to carry out the two contracts with Central as authorized by the Federal court. If for some reason you refuse to do so, we request that we be notified immediately and that you advise us in detail the specific grounds for refusing to perform as authorized by a United States court of competent jurisdiction.

Very truly yours,

CENTRAL ELECTRIC POWER
COOPERATIVE,
STEVE A. SCHAUWECKER,
President.

After that letter was read into the record Mr. Davis, the chief counsel for the subcommittee, asked:

Mr. DAVIS. Did you receive a reply to this letter?

Mr. GREEN. Yes, sir.

Mr. DAVIS. Do you have it with you, sir?

Mr. GREEN. Yes, sir.

Mr. DAVIS. What is the date of the reply?

Mr. GREEN. It is dated April 16, 1954.

Mr. DAVIS. By whom is it signed?

Mr. GREEN. It is signed by Fred G. Aandahl, Assistant Secretary of the Interior.

Mr. DAVIS. We will admit this in the record.

(The letter is as follows:)

UNITED STATES DEPARTMENT
OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., April 16, 1954.

MR. STEVE A. SCHAUWECKER,
President, Central Electric Power Co-
operative, Jefferson City, Mo.

MY DEAR MR. SCHAUWECKER: This letter replies to your letter dated April 7, 1954, addressed jointly to the Secretary of the Interior and the Administrator, Southwestern Power Administration, relative to two contracts between the United States and Central Electric Power Cooperative which are involved in the case of *Central Electric Power Cooperative v. Douglas McKay* (U. S. District Court for the District of Columbia, Civil Action No. 4786-53).

In response to a request for our views, this Department has recommended to the Attorney General that the Government take an appeal from the order issued in this case by Judge Curran, dated March 29, 1954.

This recommendation was based on reasons which were set forth at length in the memorandum submitted by the Department in support of defendants' motion to dismiss and for summary judgment. Copies of this memorandum were served on your attorneys in this action.

Sincerely yours,

FRED G. AANDAHL,
Secretary of the Interior.

I shall not go into detail today. I have before me the decision of the judge who heard the case, a judgment granting the motion of the Central Electric Power Cooperative for summary judgment.

There was a stipulation in the case which provided that the Government would abide by the result of what the judge ruled. Nothing was said about any appeal. Those representing the Government said, "We will submit the question to a court, and whatever the court rules, we will abide by his ruling." After the court ruled in favor of the cooperative, the representatives of the Government

are welshing and not carrying out the terms of the stipulation.

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

Mr. LANGER. I yield.

Mr. MAGNUSON. I think the Senator will find that the recent case to which he refers is not the only one in which a stipulation was entered into. Several months previous to that time there was another case in the courts, in which another judge, in another court, made a similar ruling.

Mr. LANGER. I am glad to hear that.

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

Mr. LANGER. I yield.

Mr. MONRONEY. I, too, am very familiar with the case involving the Southwestern Power Administration. There have been more than two such cases. There have been 2 in the District of Columbia and 2 in Missouri. All those cases were won by the REA cooperatives, the generating and transmitting cooperatives. The finding of the court in each instance was that the contract was legal and binding on the Government.

As a result of action in the House of Representatives appropriations were restricted. Last year the Senate conferees were unable to persuade the House conferees to retreat from their position.

We find the same thing happening throughout the entire Southwestern area. There is a power desert. The REA cooperatives, with the cooperation, advice, and urging of the Government, attempted to provide electric power under contracts which were entered into in all good faith by both the Government and the REA cooperatives.

Congress has stifled the REA cooperatives by cutting off funds, while still providing adequate funds for carrying out contracts with private power companies, relating to the interchange of power between the Southwestern Power Administration and the private utilities, in connection with the use of power generated at Government dams to firm up the power of private power companies. Funds have been made available to cover their wheeling and transmission charges.

Today the REA generating and transmitting cooperatives are faced with bankruptcy unless they are rescued by the Appropriations Committees. Adequate funds were not provided even to sustain life, to administer artificial respiration, so to speak, during the interim period, until the higher courts can pass upon the appeal. As was stated yesterday, the inability to stay alive may bring the REA cooperatives to just as violent an end as though they had been condemned to death, had taken an appeal to a higher court, and then had been executed before the higher court could pass upon their case.

It will not do the REA cooperatives any good if the plants and transmission lines are forced into bankruptcy and are compelled to close and be sold to the highest bidder. Only two private utility companies could possibly buy the wreckage. It would be sold at 25 or 50 cents on the dollar.

One of these projects cost \$14 million, and came on the line just a year ago.

These cooperatives can be forced into bankruptcy by the failure of Congress to carry out the obligation of the Government. The Department of the Interior has not given them any kind of decent deal. It has not even asked for appropriations to sustain the life of the cooperatives until a higher court can pass upon the question.

It is my understanding—and I wish the distinguished chairman of the Judiciary Committee would enlighten me, because I am not a lawyer—that if a litigant wins a case in the lower court, the decision of that court is presumed to be the correct interpretation of law until and unless it is overturned by a higher court.

Mr. LANGER. That is especially true in the two cooperative cases I have cited, in which there was a stipulation providing that the Government should be bound by the decision of the court. Nothing was said about an appeal being taken.

Furthermore, in the two cases I have cited, Judge Edward M. Curran found that \$1,200,000 had been appropriated by the Congress and was available. The Secretary of the Interior, Assistant Secretary Aandahl, and other officials in the Department of the Interior, were saying that such was not the case, and they were forcing the cooperatives into court.

Mr. MONRONEY. I think the very distinguished chairman for his attention to this matter. What is happening in the way of perhaps monopolizing the power supply for the REA's is of grave concern to those of us in the Southwest area.

This is a market which was created for the farmers and the Government. This is the job which the private utility companies said would be impossible. They said it would prove to be a boondoggle and a great failure. Since the REA's have proved their worth, paying off their loans ahead of time, and becoming good customers for wholesale power from the private utility companies, as well as from their own generation sources, the private utilities have been trying to force them to rely wholly on the wholesale power resources of the private utilities. There are only two or three in that area which could possibly supply that market.

Mr. LANGER. Let me say to my distinguished friend from Oklahoma that in the testimony given before the Judiciary Committee yesterday it was shown that three or four concerns have a monopoly. There are interlocking interests among the private companies. They are closely connected and interwoven, so that they can act almost as a unit against the cooperatives, not only in the State of the Senator from Oklahoma but in the surrounding States.

This contest is similar to the fight we have had in the Northwest, with which the distinguished Senator from Montana [Mr. MANSFIELD] is entirely familiar. The situation in Montana approximates that in Oklahoma, Mississippi, and some of the other States.

Mr. President, in order that Senators may know exactly what the court held, I ask unanimous consent that the order of the court, Judge Edward M. Curran,

may be printed in the RECORD at this point as a part of my remarks.

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

UNITED STATES DISTRICT COURT FOR THE
DISTRICT OF COLUMBIA

CENTRAL ELECTRIC POWER COOPERATIVE, A COOPERATION, LINN, MO., PLAINTIFF, V. DOUGLAS M'KAY, SECRETARY OF THE INTERIOR, AND DOUGLAS G. WRIGHT, ADMINISTRATOR OF THE SOUTHWESTERN POWER ADMINISTRATION, DEFENDANTS

(Civil action No. 4786-53)

Order granting plaintiff's motion for
summary judgment

This cause was heard on motion of the plaintiff for summary judgment on the ground that the defendant's answer fails to state any defense to the complaint filed herein, and, having been fully advised upon hearing of this motion, it is by the court this 29th day of March 1954 ordered and decreed as follows:

1. That the plaintiff's motion for summary judgment is granted.

2. That the two contracts between the plaintiff and the United States of America (in this order hereinafter referred to as the Government) entered into by and through the Southwestern Power Administration, both dated January 9, 1950, and more fully described in the complaint and answer filed herein, are valid and binding upon the parties hereto.

3. That Congress has appropriated moneys in Public Law 172, 83d Congress, in the amount of \$1,200,000 for the fiscal year beginning July 1, 1953, and ending June 30, 1954, which appropriation was available to carry out the provisions of said contracts, and from which appropriation any obligations or liability on the part of the Government arising out of said contracts can be paid.

4. That the action of the defendants Douglas McKay and Douglas G. Wright in refusing to carry out the provisions of the said contracts with the plaintiff during the above-referred-to fiscal year on the alleged grounds that no appropriation of funds has been made by the Congress for the said fiscal year from which appropriation any obligations or liability of the Government arising out of said contracts can be paid, is illegal, in violation of law and beyond the scope of the authority of each of them.

5. That, to the extent that funds are available from the \$1,200,000 authorized in Public Law 172, 83d Congress, for the continuing fund, Southwestern Power Administration, defendants, and each of them, are authorized to carry out the provisions of the said contracts with the plaintiff.

EDWARD M. CURRAN, Judge.

Approved as to form:

BRUCE ZEISER,
Attorney for Defendants.

Mr. LANGER. Mr. Clyde Ellis, executive manager of the National Rural Electric Cooperative Association, also testified before our subcommittee with respect to the subject of the interlocking directorates.

Particularly in view of what was said by my distinguished friend from Oklahoma I wish to call this testimony of Mr. Ellis to his attention. Mr. Ellis testified:

I attended one of the first meetings ever held in the United States in about 1937 at Harrison, Ark.

After I came with the national organization of the rural electric systems, I learned that the power desert of the Southwest was very extensive, that it extended to much of Missouri, much of Oklahoma, parts of Kansas.

That confirms what the Senator from Oklahoma [Mr. MONRONEY] stated a moment ago.

Mr. Ellis continues:

Rural electrification was being held back. There are many counties in which no commercial company ever existed. Not even was there a single light bulb in several counties in some of those States.

Yet they opposed desperately our efforts to organize generation and transmission cooperatives to furnish ourselves with power.

I ask my friend from Oklahoma if that is not true.

Mr. MONRONEY. That is the truth. Mr. LANGER. There was not a single light bulb there at the time.

I particularly call the attention of the Senate to this point in the testimony of Mr. Ellis when he was talking about private monopoly:

All the companies from Nebraska to the Gulf coast are tied in to it. That is one way they are tied together.

Another way they are tied together is through the National Association of Electric Companies. The National Association of Electric Companies' president is Purcell Smith. Here in my hand is a photograph from the Nashville Tennessean of April 18, quoting Purcell Smith at great length.

I understand that Mr. Purcell Smith is registered as a lobbyist and receives a salary of \$65,000 a year.

That document was put in the record of the subcommittee.

Mr. Ellis continued:

In it you will see that he boasts about the extent to which the National Association of Electric Companies is able to influence the Congress and is able to do things which they seek to do, all leading toward monopoly in this country, among other things, to keep our Tennessee Valley Authority from getting more appropriations, he says.

That is just one other way they are tied together, through the National Association of Electric Companies.

Still another way is through the investor controls.

It is true, of course, that the stockholders' organizations float stock of record which they do not absolutely control, but it nevertheless is a measure of control.

Some of these companies are mentioned here briefly that are of that type, but also some of them are real investors who control and sit on the boards and dictate the policy of the power companies.

Let me show you how they are tied in. This is just a job I did in a couple of hours.

Kansas City Power & Light Co., which is one of the companies fighting the rural electrics in this area.

Mr. DAVIS. This is a document which you compiled; is that correct?

Mr. ELLIS. That is right.

Kansas City Power & Light Co. has as one of its 10 biggest common stockholders Steer & Co., of Philadelphia, also Union Electric Co., of St. Louis, 1 of the companies fighting us, has as 1 of its big 10 common stockholders of record Steer & Co., of Philadelphia.

Kansas City Power & Light Co. has as 1 of its big 10 Sigler & Co., of New York.

Union Electric Co. also has as 1 of its big 10 Sigler & Co., of New York.

Oklahoma Gas & Electric Co. also has as 1 of its big 10 Sigler & Co., of New York.

Middle South Utilities Co., which owns all the common stock of Arkansas Power & Light Co., Louisiana Power & Light Co., Mississippi Power & Light Co., and New Orleans Public Service Co., has as 1 of its big 10 Sigler & Co., of New York.

Mr. President, they are all tied together with Sigler & Co., of New York, and these companies make common cause against the cooperatives in one State after another.

I continue to read from Mr. Ellis' testimony:

Kansas City Power & Light Co. also has trustees of Massachusetts Investors Trust in Boston as 1 of its big 10, and so does Middle South Utilities have as 1 of its big 10 the same trustees in Massachusetts.

Kansas City Power & Light Co. has Lynn & Co. of New York as 1 of its big 10. So does Empire Electric Co. of Missouri.

St. Joseph Power & Light Co. of St. Joseph, Mo., 1 of the companies fighting us, has as 1 of its big 10, Merrill Lynch, Pierce, Fenner & Beane of New York.

Union Electric Co. has as 1 of its big 10, Merrill Lynch.

The North American Co., which controls Union Electric Co., has as 1 of its big 10, Merrill Lynch.

Empire District Co. of Missouri has as 1 of its big 10, Merrill Lynch.

Oklahoma Gas & Electric Co. has as 1 of its big 10, Merrill Lynch.

I desire to say to my colleagues in the Senate that as chairman of the Subcommittee on Monopolies of the Judiciary Committee I shall welcome assistance from every Senator who believes in the rural cooperatives getting a square deal.

I say to my Republican colleagues that the Republican Party should carry out its promises to the people. I cannot emphasize that too strongly. I maintain I am a better Republican than an overwhelming number of Republicans who are willing to have the big private companies strangle the cooperators.

I am a better Republican because I say Dwight Eisenhower, speaking for his party, should carry out the promises he made to the farmers on the 4th day of October 1952, at Fargo, N. Dak., and at other places.

I intend to stand on the floor of the Senate time and time and time again if these promises are not carried out, and, as a Republican, I intend to speak on the radio and appeal to the people of the country to compel Dwight Eisenhower, if necessary, to carry out the platform on which he was elected and to carry out the promises he made when he was looking for votes.

Surely, Mr. President, the Members of the Senate were shocked when they read testimony given by the late Wendell Willkie. It will be remembered in his campaign that he advocated peace and said he was opposed to war. A few weeks after he was defeated, testifying before a Senate committee in favor of war, he was asked by a Senator:

Is it not true that a few weeks ago you said you were opposed to war? Is it not true that you spoke against war?

Mr. Willkie gave his famous answer:

Yes, but that was just campaign oratory.

Mr. President, the senior Senator from North Dakota wants to know whether, when Dwight Eisenhower on October 4, 1952, at Fargo, N. Dak., and at other places, said he was in favor of REA and rural cooperatives, he meant it, or whether it was just campaign oratory.

The senior Senator from North Dakota intends to find out. If the private

utility companies have reached their hands into the White House, the senior Senator from North Dakota will find that out also. We have had the promise of the President, and the people of the country have relied upon it. We shall now find out whether Dwight Eisenhower is going to "welsh" or whether he will carry out the promise he made to the American people or whether he too was guilty of campaign oratory.

MORE EFFECTIVE ENFORCEMENT OF CERTAIN PROVISIONS OF THE LABOR MANAGEMENT RELATIONS ACT

Mr. HUMPHREY. Mr. President, I introduce for appropriate reference a bill on behalf of myself and the Senator from Illinois [Mr. DOUGLAS].

The PRESIDING OFFICER. The bill will be received and appropriately referred.

Mr. HUMPHREY. Mr. President, I wish to make a brief statement with reference to the bill.

Mr. President, the senior Senator from Illinois [Mr. DOUGLAS] and I join in introducing a bill designed to bring about more effective enforcement of the non-Communist affidavit provisions of the Labor Management Relations Act. Our bill provides that the National Labor Relations Board has the power to declare that a non-Communist affidavit signed by a union officer does not satisfy the requirements of the law if that official refuses to testify under oath whether he signed the affidavit, or whether it is a true statement of fact, or if the union officer has been convicted of perjury in executing the affidavit.

Members of the Senate will recall that during the 82d Congress the senior Senator from Illinois and I had the honor of serving on the Senate Subcommittee on Labor and Labor-Management Relations. It was my privilege to be the chairman of the subcommittee. We held extensive hearings and made thorough studies of public policy and Communist domination of certain unions. It was our belief that the National Labor Relations Board has authority under existing law to protect its own processes from abuses. A recent decision of the Supreme Court, however, has now finally ruled that under existing law the National Labor Relations Board is powerless to deal even with the most flagrant abuses of the non-Communist affidavit. It is to correct that imperfection that we introduce our bill. Our bill is not hastily drawn or conceived. It reflects more than 2 years of investigations, hearings, and study. Our final report lists 11 findings and recommendations. Our bill is designed to carry out one of those recommendations.

At this point I ask unanimous consent to have printed at the conclusion of these remarks the section of our subcommittee report which became Document No. 26 of the 83d Congress, 1st session. I refer the Senate's attention specifically to our recommendation No. 5.

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

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, I also ask unanimous consent to have printed in the body of the RECORD, following these remarks, an editorial from the New York Times of April 14, 1954, commenting on the recent Supreme Court decision.

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

(See exhibit 2.)

Mr. HUMPHREY. Mr. President, if we read the decision of the Supreme Court correctly, the National Labor Relations Board is nothing more than a filing cabinet for the non-Communist affidavit under existing law. It has never been our feeling that the Board should be empowered to conduct wholesale investigations as to the validity of non-Communist affidavits. We agree with the framers of the National Labor Relations Act in this regard. The Board does not have the experience, the competence, or the personnel to carry out that function. This is the function of the Department of Justice. We believe, however, that where gross abuses of the affidavit processes exist the Board should be permitted to act and recognize the facts for what they are. Where a union officer refuses to say whether he signed the affidavit or refuses to reaffirm its validity, or has in fact been convicted of perjury in connection with the affidavit, it is clear the Board should have the power to declare that there has not been compliance with the act.

In other words, Mr. President, the union which is in question through the malfeasance of its officers is not to be permitted to have the benefits or the privileges prescribed under the Labor Management Relations Act.

It is important, however, that even if we recognize these facts and correct the inadequacy of existing law we guard lest we penalize innocent victims. We do not wish to penalize individual union members who could have had no way of knowing whether an affidavit was signed in good faith or not in the absence of a ruling from an appropriate body. Therefore, we propose that instead of immediately revoking compliance the Board be directed to notify the particular union that compliance will be revoked unless the union officer is unseated from his position within a 30-day period. This period of 30 days' notice is adequate in our judgment to safeguard the innocent from abuses.

Members of the Senate will recall that our subcommittee's recommendations urged more vigilant activity by the Department of Justice in connection with the non-Communist affidavit.

Mr. President, I digress for a moment to say that at the time we were holding hearings we quizzed the representatives of the Justice Department extensively as to what they were doing in the way of examining into the validity of non-Communist affidavits. I regret to say that at the time we were searching in this area we found that the Justice Department was doing very little. I assure the Senate that we informed the Justice Department, as a committee, and I, as chairman of the committee, that we expected very careful scrutiny of such affi-

davits. I am happy to report that, as a result of those hearings and that interrogation, the Justice Department started looking into the validity of the so-called non-Communist affidavits, and there have been prosecutions following this change of policy.

We are, therefore, very pleased with certain recent significant developments that have taken place following the issuance of our report. Most recently the Justice Department secured an indictment and a conviction from the District of Columbia against the president of the International Fur and Leather Workers Union on the charge that he had filed a false affidavit with the National Labor Relations Board. This action is consistent with the recommendations of our subcommittee.

As a matter of fact, Mr. President, that is one of the unions we asked the Justice Department to examine.

Mr. President, I ask unanimous consent to have a copy of the indictment printed in the body of the RECORD following my remarks, together with a news story from the New York Times of April 3, 1954, commenting on the conviction.

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

(See exhibits 3 and 4.)

Mr. HUMPHREY. Mr. President, members of the Subcommittee on Labor and Labor-Management Relations were proud of the constructive effort which we made toward understanding and helping to solve the problem of Communist-dominated trade unions. We welcomed the commendation we received from newspaper editorials and responsible labor and management as evidence of our constructive, nonpartisan approach to this problem. We likewise welcomed the criticism we received from the Communist press and Communist trade unions as reassurance that we were on the right track. It was, therefore, with real regret that we learned that the Senate Labor and Public Welfare Committee during the 83d Congress decided not to continue the work that we had begun.

In this vital area affecting our Nation's security and our Nation's labor-management relations, we need to build on our past experience and on our careful, reasoned study. We must understand the American trade union movement has done a most effective job of ridding itself of Communist influence. We must also appreciate that self-discipline is far more desirable in a democracy than imposed discipline. We have learned that exposure and disclosure are pertinent democratic weapons against communism. Bringing the facts of Communist domination to American men and women is a certain guaranty that the Communist domination will be undermined. In that connection, I ask unanimous consent to have an editorial from the New York Times of March 13, 1954, printed in the body of the RECORD following these remarks. The editorial comments on the fact that Communist domination in the American labor movement is virtually disappearing.

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

(See exhibit 5.)

Mr. HUMPHREY. Mr. President, the senior Senator from Illinois and I introduce our bill in the hope that it will close a loophole in existing law. We urge its favorable consideration by the Senate Labor and Public Welfare Committee.

The bill (S. 3463) to amend section 9 (h) of the National Labor Relations Act, as amended, introduced by Mr. HUMPHREY (for himself and Mr. DOUGLAS), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

EXHIBIT 1

FINDINGS AND RECOMMENDATIONS

Under this heading we want to set down some judgments about this problem which we believe are reasonably warranted by the facts.

1. Nobody has suggested to our subcommittee that our security machinery is not equipped to deal effectively with the protection of facilities and information in sensitive industries, from acts of sabotage or espionage; or at least as effective as it is humanly possible to be. The subcommittee did not have the resources to conduct an independent investigation of whether in fact the security agencies were taking all the precautions they could against Communist subversion. This matter should be fully studied and the facts made available to the Congress. Special attention should be paid by the Government in supervising its contractors and sub-contractors engaged in defense work to see that all appropriate safeguards against Communist infiltration are utilized.

2. One of the great assets, if not the greatest, which a democracy has in combating the threat of Communist penetration is an intelligent awareness of the threat and a desire to do something about it. No law, however intelligently framed, is a substitute for this asset.

We must in all candor recognize that an employer who sees rivalry between a Communist union and a non- or indeed anti-Communist union as simply ordinary trade-union competitiveness is lacking in the insight and perspective which we need to rely on so heavily.

We do not suggest, it should be made clear, that the employer favor one union as against another, or do anything else which would be contrary to law, when he is confronted with a rival union situation involving a Communist-controlled union and a non-Communist union. We do suggest, however, that an employer who takes advantage of such a situation to engage in divisive strategy is making no contribution to the common welfare.

The International Union of Electrical Workers (CIO) has charged that the General Electric Co. has favored the United Electrical Workers (Independent) since expelled from the CIO on grounds of Communist domination. The General Electric Co., speaking through Mr. Boulware, has vigorously denied this charge. We do not feel that we would be justified in making a definite finding on this issue in controversy, one way or the other.

We feel justified, however, in commenting on an attitude reflected in certain statements issued by the General Electric Co. on the theme of a "plague on both your houses" (hearings, p. 450 ff.). The essence of the theme is that there is little to choose from between "leftwingers" and "rightwingers." The reference is to the UE and the IUE respectively.

"We believe," the General Electric Co. has said, "that they have in the end the same objectives. We believe that what each side advocates would result, in the long run, in substantially the same thing for our employees, our company, and our country" (hearings, p. 451).

This is an amazing statement and shows little comprehension of the forces at work in this world, in the year 1952. It is this attitude on the part of some employers which has made the opposition to the real Communists in the unions very difficult and explains in large part why the Communists have been able to retain as much as they have. If an employer says, in effect, there is no difference between a Communist union and an anti-Communist union, it is understandable why many workers may not pay too much attention to a valid charge that a union is Communist controlled.

We need to recall Professor Seidman's critical differentiation between Communist unionism and other liberal or radical groups in the American labor movement.

"From the point of view of the other liberal or radical groups, a union is a primary institution that the group seeks to build and make strong, with the objective of winning benefits for the members and for workers in general.

"The policy of such unions is determined by an analysis of the needs of the workers who are employed in the industries in which those unions operate. Such other liberal or radical groups may be critical of employers, of the existing economic system, of Government policy; they may in a particular case be opposed to a war in which this Government is engaged, or even opposed to all wars; and yet I would sharply distinguish between such groups and the Communist Party on the ground that the Communist Party seeks control of unions not primarily to benefit the workers involved, but primarily because the unions then can be manipulated to further a party line which is in turn determined with reference to the interests of the U. S. S. R." (hearings, p. 148).

Not to make this distinction, as apparently General Electric and other employers have not, is to play the Communist theme song, that an attack on Communists is an attack on all liberal ideas. We deny that it is impossible to distinguish between Communists and genuine supporters of liberal or orthodox ideas. The Communists are spokesmen for a conspiratorial system of power deriving its prime motivation from the needs of the U. S. S. R. We do not have to agree, necessarily, as many of us do not, with the program of free reform groups, to insist that the American tradition and constitutional system gives these groups every right to exist and to pursue every lawful means to propagate their ideas.

3. The issue which needs to be resolved is whether Communist-dominated unions pose a sufficiently serious threat to our security to warrant Government action. We believe that Communist-dominated unions do pose such a threat, and the Government has taken effective steps to protect the national security against these threats. In this report we recommend additional steps that can be taken.

We do not accept the proposition urged upon us that a private group has an inherent immunity from public regulation on this point. This goes for both employers and unions. It happens that this committee has reported out legislation designed to end discrimination in employment based on race, color, creed, or national ancestry. If this legislation were passed no private group, employers, employment agencies, or unions would be permitted to carry on its activities in a way to run counter to the requirements of this policy.

The same principle applies to the question of Communist-dominated unions. The unions have no inherent immunity from regulation on this point. The decisive question is: Will this be a wise and democratic exercise of public authority?

4. The free labor movement must accept the responsibilities which go with its contention that it can handle the Communist problem in the unions on its own. Racket-

teering, discriminatory practices, exist in a few union situations. Where these unsavory practices exist they are breeding grounds for Communist penetration. They provide a cover for the real purposes of the Communists in the unions. The labor movement must decontaminate itself of these unhealthy influences.

The free unions have done more to isolate and destroy the staging points of Communist unionism than any other single force in American life. It is one thing to require a non-Communist oath as a condition of using the NLRB's facilities. But the critical anti-Communist pressure is exerted when the free unions expel Communist-dominated unions from their midst and then proceed to take their members away. This is anticommunism where it hurts the Communists the most. But, as we have seen, there are still pockets of Communist domination and the free unions must expend added power and resourcefulness in eliminating these Communist pockets.

We commend, too, the action which the American labor movement has taken to combat international communism. The fact that free labor movements all over the world are effectively fighting Communist aggression is in small part due to the economic and moral aid rendered by the American labor movement.

5. The National Labor Relations Board has authority under existing law (in its own words) "to protect its own processes from abuse." If it should develop that the Board does not have this authority, we urge that legislation be enacted to carry out the intent of this recommendation. We recommend that the NLRB in the exercise of such authority under existing law take judicial notice of three kinds of circumstances, as reflecting adversely on the good faith of an affiant of a non-Communist affidavit:

(1) The refusal to testify under oath before a judicial body, grand jury, or legislative committee whether the non-Communist affidavit was signed by the affiant.

(2) The refusal to testify under oath before a judicial body, grand jury, or legislative committee whether the affiant is a member of the Communist Party.

(3) A conviction for false swearing in a non-Communist affidavit.

If the Board finds that there is a reasonable doubt as to the truth and validity of the affidavits, as a result of the failure to testify, or as a result of the conviction for false swearing as outlined above, it shall give the union in question 30 days within which to purge itself of the officers whose affidavits have been found lacking in good faith. If the union submits proof that it has complied with the order of the Board it shall be considered as having remained in compliance with section 9 (h). If in the judgment of the Board the union has not purged itself of the officers whose affidavits have been found to be lacking in good faith, then the Board shall declare that the union is not in compliance with section 9 (h).

Our reasons for this recommendation are as follows:

(a) Whatever reservations we may have about the efficacy of section 9 (h), we ought not to embark on additional or more dubious legislation until we have exhausted the lawful remedies under existing legislation. With all of its one-sidedness, section 9 (h) of the Labor-Management Relations Act of 1947 has served to point up the issue and may, with appropriate implementation, yet help to identify the Communist-dominated unions. In our judgment, it should not be taken from the law until all Communist domination has disappeared from unions, at least in vital industries, or until, as implemented, it is proven ineffective and other preferable provisions are adopted.

(b) We believe that the NLRB can lawfully apply these recommendations without additional legislation. To be sure, as has

been pointed out, Congress did not intend for the Board to conduct an independent investigation on the merits as to whether a particular 9 (h) affiant is or is not a Communist. What we are recommending here, and which in large part the Board has already done, is to protect its processes from obvious abuse. It is our judgment that the three types of circumstances cited above constitute obvious abuse and ought not to be tolerated without question.

(c) We are not insensitive to the implications which our recommendations have for the constitutional protection against self-incrimination. But, it seems to us that the constitutional protection ought not to become an immunity for Communist union officers from the consequences of bad faith in filing non-Communist affidavits. And in any case the loss suffered by such officers is a disqualification from serving as officers of a union which wishes to utilize the procedures of the law. That the unavailability of the Board's processes is something less than catastrophic is attested to by the fact that two large and powerful unions (and anti-Communist unions, by the way) have been able to exist for 5 years without access to NLRB procedures.

(d) The recommendation for a 30-day period of grace within which a union may remove the cloud of doubt prevailing with respect to 9 (h) compliance is motivated by a consideration that innocent victims of bad-faith filing ought not to be penalized for the acts of particular officers. All the members and non-Communist officers of the union could know, for sure, was that an affidavit was on file. They could not be expected to know beyond a reasonable doubt that the affidavit was executed in bad faith, in the absence of an authoritative declaration to that effect.

Therefore, to revoke compliance status retroactively would penalize union members and employers as well for acts over which they had no control. Legal logic may be on the side of retroactivity in this sort of situation but the facts of industrial relations are not.

A refusal of the union members to remove officers after their affidavits have been found defective in an authoritative determination by the NLRB puts the problem in a different posture. They can remove the officers or accept the consequences of noncompliance. But under our recommendation the alternatives are identifiable.

6. The Department of Justice should establish a special unit to deal with cases arising out of alleged violations of section 9 (h) with effective liaison relationships to the NLRB and the legislative committees engaged in Communist investigations.

7. To the extent necessary, the Munitions Board, the Atomic Energy Commission, the Federal Bureau of Investigation, and other agencies concerned with security problems should develop specialized competence in dealing with security implications of Communist-dominated unions. The Bureau of the Budget should undertake to study how the various Federal responsibilities in this field can be sensibly coordinated. The President, through the Bureau of the Budget, should also consider the development of in-service training programs for these various agencies on the goals and purposes of Communists in unions and how to distinguish the bona fide militant unionist from the Communist agent. It is a distinction which is not infrequently blurred, but as we have said, a very crucial distinction.

8. We do not believe that the National Labor Relations Board has the statutory authority or that Congress intended it to conduct an independent, de novo investigation of whether, in fact, an affiant is a Communist. Moreover, Mr. Herzog's analysis of this proposal we find very persuasive. Identifying Communists is a special form of expertise which the Board does not now have.

Moreover, it would have the effect of delaying the processing of the cases of non-Communist unions.

9. We reserve judgment at this time on proposals that new agencies other than the NLRB be given authority to find Communist domination. The reasons for our reservations may be summarized as follows:

(a) The resources of Government agencies charged with security functions, strengthened as necessary, appear to be adequate at this time to deal with hazard of sabotage and espionage.

(b) The practical advantages of these proposals in removing the security hazard of Communist control are questionable if the time consumed by the Subversive Activities Control Board in its proceedings against the Communist Party, is any guide. The advantage of operating efficiency is on the side of the agencies like the FBI.

(c) The resultant penalties such as disestablishment of Communist unions would in part fall on the Communists but in greater part on the innocent victims, the union members, in the Communist unions who, it is clearly established, are overwhelmingly unsympathetic to the political aims of their leaders.

(d) This ideological testing of a union's right to survive is foreign to our tradition of a free labor movement.

If, however, our relationships with Soviet Russia deteriorate even further, these proposals should be reconsidered in the light of the new circumstances.

10. It is recommended that encouragement be given to unions to clean their own ranks of Communist influence by amending the law to permit a waiving of the affidavit requirement for those unions which incorporate a ban on the holding of office by Communists and enforce the ban in good faith. Such a provision would have the additional effect of cutting down the sizable clerical task of keeping track of thousands of affidavits.

11. The proposal that employers and their representatives be required to take non-Communist oaths as a condition for utilizing the facilities of the National Labor Relations Board has equity on its side to recommend it. The argument runs that union people will not resent the application of the affidavit requirement if they feel that they are not being singled out for special treatment as potential subversives. Measured against the standards of speed in processing cases, however, the advantage of this proposal seem to be dubious.

EXHIBIT 2

[From the New York Times of April 14, 1954]

NON-COMMUNIST AFFIDAVITS

By refusing to review two lower court rulings the Supreme Court has dealt a stunning blow to the National Labor Relations Board's reasonable efforts to challenge non-Communist affidavits filed under the Taft-Hartley Act by union officials. The High Court has left in effect two lower court decisions. One ruling held that the Board had no authority to require union officers to affirm the truth of their non-Communist affidavits when the board doubted their authenticity. The second ruling stated that it was illegal for the Board to defer temporarily the granting of additional representation rights to a union when a union officer has been indicted for making a false affidavit; these rights were to be held in abeyance without prejudice pending the outcome of the criminal case, as the Board drew no inference of guilt from the indictment.

In requiring union officials to swear they are not Communists, Congress sought to eradicate and bar from union leadership adherents of the Communist party. When union officers were suspected of falsely signing the non-Communist oaths the Labor

Board acted to protect its own processes from abuse. It is now held by the courts that the Board's function regarding the non-Communist affidavit is administrative only and that the inquiry as to the truth or falsity of such affidavits is reserved exclusively in the Department of Justice. If we understand this correctly, it means that the Board must accept all affidavits at face value and that, barring action of the Justice Department, the Board must process all cases brought by unions even though their officers are suspected of swearing to false affidavits.

Congress, it seems clear, enacted the non-Communist oath mainly to deprive unions with Communist leadership of certain valuable benefits, such as petitioning for election of collective bargaining representatives and filing unfair labor practice charges against employers. The NLRB is well equipped to carry out part of the intent of Congress. It is not equipped to punish false swearing before the courts, since that function is correctly placed in the hands of the Justice Department.

Since the courts have had the last word on the Board's two major efforts to cope with Communist leadership in unions, the problem now passes to Congress. Congress should promptly amend the law and give the Board authority to do its share in policing the non-Communist affidavit filing requirements.

EXHIBIT 3

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA v. BEN GOLD

The grand jury charges:

First count

That on or about August 30, 1950, within the District of Columbia, Ben Gold, who was then and there president of the International Fur and Leather Workers Union of the United States and Canada, in a matter within the jurisdiction of the National Labor Relations Board, an agency of the United States, did unlawfully, willfully and knowingly make, use, and file, and cause to be made, used, and filed with said Board, a false writing and document, namely, an "affidavit of non-Communist union officer" (form NLRB-1081), knowing the same to contain a false, fictitious, and fraudulent statement and representation, to wit, that he, Ben Gold, was not then and there a member of the Communist Party, whereas, as the said Ben Gold well knew, he Ben Gold, was then and there a member of the Communist Party.

The grand jury further charges:

Second count

That on or about August 30, 1950, within the District of Columbia, Ben Gold, who was then and there president of the International Fur and Leather Workers Union of the United States and Canada, in a matter within the jurisdiction of the National Labor Relations Board, an agency of the United States, did unlawfully, willfully, and knowingly make, use, and file, and cause to be made, used, and filed with said Board, a false writing and document, namely, an "affidavit of non-Communist union officer" (form NLRB-1081), knowing the same to contain a false, fictitious, and fraudulent statement and representation, to wit, that he, Ben Gold, was not then and there affiliated with the Communist Party, whereas, as the said Ben Gold well knew, he, Ben Gold, was then and there affiliated with the Communist Party.

The grand jury further charges:

Third count

That on or about August 30, 1950, within the District of Columbia, Ben Gold, who was then and there president of the International Fur and Leather Workers Union of

the United States and Canada, in a matter within the jurisdiction of the National Labor Relations Board, an agency of the United States, did unlawfully, willfully, and knowingly make, use, and file, and cause to be made, used, and filed with said Board, a false writing and document, namely, an "affidavit of non-Communist union officer" (Form NLRB-1081), knowing the same to contain a false, fictitious, and fraudulent statement and representation, to wit, that he, Ben Gold, did not then and there support any organization that taught the overthrow of the United States Government by force, whereas, as the said Ben Gold well knew, he, Ben Gold, did then and there support an organization, namely, the Communist Party, which said party taught the overthrow of the United States Government by force.

EXHIBIT 4

[From the New York Times of April 3, 1954]
**BEN GOLD IS GUILTY IN DENIAL HE'S RED—
 JURY FINDS FUR UNION HEAD COMMITTED
 PERJURY ON NON-COMMUNIST OATH**

WASHINGTON, April 2.—Ben Gold, president of the Fur and Leather Workers Union, independent, was convicted today of having falsely denied he was a Communist Party member and a supporter of its policies.

Gold, who is 55 years old, heard the verdict of a Federal court jury, which had deliberated for about 12½ hours, with no show of emotion.

United States District Judge Charles F. McLaughlin allowed Gold to remain at liberty under \$10,000 bail, pending sentencing. No date was set for sentencing, but defense attorneys received until April 12 to file various legal motions, including one asking for a new trial.

"We are going to appeal all the way up if our motions are denied," Vito Marcantonio, defense counsel, said. Mr. Marcantonio is a former American Labor Party Representative from Manhattan.

The law under which Gold was convicted provides a penalty up to 5 years in prison and a \$10,000 fine for making a false statement to a Government agency. Gold was found guilty by the jury of making two false statements in a Taft-Hartley law non-Communist oath filed with the National Labor Relations Board August 30, 1950. The statements were that he was not a member of the Communist Party and did not support any organization that taught and advocated the overthrow of the United States Government by force and violence.

BROWNELL ISSUES STATEMENT

Lawyers did not agree on whether each statement constituted a separate offense for purposes of sentencing, or together amounted to a single offense.

The jury acquitted Gold on a third charge—that he lied when he denied affiliation with the Communist Party. Affiliation has been defined in court decisions as something less than membership and more than sympathizer.

Upon being advised of Gold's conviction, Attorney General Herbert Brownell, Jr., said in a statement:

"The decision of the jury bears out our statement of the past that Communists have no regard for truth and lie as their foreign leaders instruct them to do.

"I would also like to bring attention to the fact that this is the first case in which it has been charged that the accused lied when he denied supporting an organization which advocates the overthrow of our Government by force and violence."

UNION EXPELLED BY CIO

Gold, a blond, energetic man of medium height, has been president of the Fur and Leather Workers Union of the United States and Canada since 1935. The union, which claims a membership of about 100,000, was

expelled by the Congress of Industrial Organizations in 1949 on the ground it had been infiltrated by Communists.

An avowed Communist for 30 years and a one-time member of the party's central committee, Gold announced his resignation from the party a few days before he signed the non-Red oath.

The Government charged the resignation was a fake and a fraud and was couched in double talk that let the Communists know that it was.

Gold did not testify in his own behalf. Mr. Marcantonio told the jury Gold had to decide between the party and the union, decided for the union, and made a bona fide break.

EXHIBIT 5

[From the New York Times of March 13, 1954]
RED-CONTROLLED UNIONS

The grip of union leaders who follow Communist Party policies is being steadily broken. The United Electrical, Radio and Machine Workers of America (independent), which has been in hot water since 1946, when it was in the CIO, with its leaders at that time accused of slavishly adhering to the Communist line, is now apparently about to lose 20,000 members. The strategically situated Local 301 at General Electric in Schenectady has all but completed preparations to transfer to the CIO's International Union of Electrical Workers.

The legal process by which a union may break away from Communist-line leadership is slow because of a defect in the Taft-Hartley law requiring only that union officers swear they are presently not Communists. The National Labor Relations Board, to protect its operations from abuse, is seeking to require affiants to reaffirm the truth of their non-Communist oaths when there is doubt as to their authenticity. But the Federal courts thus far have ruled that this is beyond the Board's statutory authority, and two pilot cases are before the Supreme Court on petition for a writ of certiorari that would require argument before the highest tribunal.

The NLRB's authority to supervise elections for collective bargaining representatives serves as a method of ascertaining by whom the employees wish to be represented. But before such elections are held the rank and file must show a prima facie case. This is sometimes difficult because Communist Party line leadership controls the union machinery and visits swift and condign punishment on its opponents. However, where the rank and file has convinced the NLRB that an election is necessary the rebels against Communist-line leadership have won gratifying victories.

It is an interesting coincidence that while the arrangements for withdrawing Local 301 from the UE were being made three major unions in England were also evidencing their feeling about Communist leadership by voting down attempts by British Communists to gain control. There is no Taft-Hartley law in England and therefore no Government-supervised elections. Thus the wishes of the rank and file, once it makes up its mind, are carried out somewhat more rapidly than similar action in the United States. The slowness of the law's operation in this country appears to call for some new device or ruling such as the NLRB has conceived for affirming the truth of non-Communist affidavits and hastening the law's process for dealing with this important problem.

**ADDRESS BY FORMER PRESIDENT
 TRUMAN BEFORE 40TH CONVENTION
 OF THE AMALGAMATED
 CLOTHING WORKERS AT ATLANTIC
 CITY, N. J.**

Mr. HUMPHREY. Mr. President, I ask unanimous consent that an address

delivered yesterday by the former President of the United States, Harry S. Truman, at the 40th convention of the Amalgamated Clothing Workers at Atlantic City, N. J., be printed in the body of the RECORD. I commend the address to the Senate as a coherent, persuasive, and effective program for an expanding economy.

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

I am glad to be here at this great convention of working people.

You are gathered here in the spirit of a great leadership. I was proud to call Sidney Hillman my friend. I am proud to call Jack Potosky my friend. I am proud that you have invited me to come here and speak to you.

I have been having a wonderful trip this time. I have come back east partly for the pleasure of seeing old friends and partly to help the Truman library project—which, as you all know, is something I am interested in, not so much as a personal matter but as an institution that will belong to the Nation and benefit the whole Nation. I have been deeply touched by the generosity of the Sidney Hillman Fund in this cause, and I am most grateful to its board and its officers.

On this trip I have been talking about some of our current problems—as I see them from the viewpoint of a citizen of Independence, Mo. I have talked about the need for respecting the governmental separation of powers set up by our Constitution, and about the need for unity in matters of foreign policy. Both of these topics, in my opinion, ought to be above partisan politics. They are areas in which we will be successful only if we keep the party spirit in check.

Today, however, I want to talk about our domestic economy, and this is a field in which our country has always been affected by the results of political contests. This is because the two strongly contrasting economic philosophies in this country are represented by the Republican and the Democratic Parties. The Republican Party believes that the best economic results are obtained by working from the top of the economic scale downward. The Democratic Party believes that the sturdy tree of American progress must be nourished at its roots, and not from the top down.

You know where I stand on that issue.

So you know that today I shall be talking as a firmly convinced supporter of the Democratic New Deal-Fair Deal philosophy of our economic life.

I've been watching, out there in Missouri, what's been happening to our economy. And I don't like what I see.

The Republican campaign orators told us, in 1952, that they were going to cure the world situation, and achieve peace, and slash defense. They said they were going to give us real peacetime prosperity.

Well, they haven't been very successful at it.

The world situation is just as critical and dangerous as it ever was, if not more so. Obviously, a change of administration here does not change the problems of Asia and Europe or the minds of the men in the Kremlin.

And instead of having peacetime prosperity, the Republicans have given us a recession.

For a while the Republican spokesmen tried to explain the recession as a transition period. They said that a little readjustment, a lot more unemployment, and a great deal less opportunity for the average American family were necessary and inevitable in shifting from a war economy to a peace economy.

This, of course, was nonsense. We made the shift after World War II from a real war

economy to a real peacetime economy without a recession—on the contrary, we had boom times.

Furthermore, this is not a transition period between a wartime economy and a peacetime economy anyway. This is just a period in which the Republicans had the bad judgment to slash the defense budget, when we still needed more defense. And now they are thinking of putting most of the cut back again.

But we still have the recession, in spite of the hollow excuses the Republican leaders are making about it.

I say to you that this economic recession has already been too big. It has already lasted too long. It has already inflicted too many cruel hardships upon too many people. And now it is time to do something about it.

This economic recession was caused, and it is being prolonged, by a shift in the whole philosophy of Government. It reflects a reversion to the old idea that the tree can be fertilized at the top instead of at the bottom—the old trickle-down theory.

The first big economic step the new administration took in early 1953, was to tighten up on the money supply. This was the so-called hard-money policy. Making money harder to get for the average fellow, and paying higher interest rates to the banking fraternity has always been the policy of the trickle-down theorists. Andrew Jackson had to battle against the hard-money policy of the bankers of his day. The Harding Administration tried the hard-money policy after World War I, and by the middle of 1921 it had started American agriculture on the road to the poorhouse. The same idea was held by Secretary Mellon in the Coolidge and Hoover Administrations, and this helped to bring on the great depression.

When the present Republican administration took over in 1953, it started down the same old road and tightened up the money supply. The elephant hadn't learned a thing. The management of our national debt was imperiled, and Government bonds declined. The squeals of pain and fear could be heard all the way from the farmers of the Far West to the bankers of Wall Street. And when the bankers commenced to squeal, the new administration started to loosen up on the hard-money policy. But a great deal of damage had already been done.

Then, the new administration commenced its efficiency drive—Republican style. The idea was that big business was efficient just because it was big, and that smaller business was wasteful and foolish just because it was smaller. So the Secretary of Defense, whose former business had \$10 billion worth of sales last year, said that more of the defense contracts would be given to big business and less of them to small business. And then more of the small businessmen got into trouble, and more of them failed, and more people became unemployed.

The trickle-down theory also colors the approach of this new administration to the Federal budget. Of course, I believe in a balanced budget, but I do not believe that a balanced budget is more important than the welfare of the people of the United States or more necessary than adequate national defense. The only kind of Federal budget that makes sense is the kind that does most to promote the domestic prosperity and international security of the 162 million people of the United States.

If you have that kind of a budget, you can easily get it to balance. If you don't have that kind of budget, you can never get it to balance.

Let us look at a page of history on this subject.

In 1929, we plunged into a great depression. Our Federal Government kept trying to balance its books instead of vigorously meeting the needs of the American people. Factories closed, business failures mounted,

millions of persons lost their jobs. Idle men and idle machines meant production lost forever. During the years of depression and the years required to recover from it, we suffered tremendous national economic deficits—deficits in food and clothing, housing, and jobs; deficits in production and profits and business opportunity; deficits in human well-being. Our total national output between 1929 and 1940 was \$635 billion less than if we had maintained full employment and full production. And yet, when the Roosevelt administration between 1933 and 1940 ran a total Federal deficit of \$27 billion to help restore production and employment, Republican economists screamed that we were spending our way into bankruptcy.

Now again in 1954, the Republicans, in their frantic desire to reduce the Federal deficit, are forgetting about the deficits in our national economy. But we are not going to forget them, and I think we ought to take a look at some of them right now.

Since the first quarter of 1953, unemployment has doubled. In addition, temporary lay offs and shortening of the workweek have cut the income and the purchasing power of many people who are not counted as unemployed.

Industrial production is now down about 10 percent from the peak, and steel production is down about 28 percent.

Production of textiles and apparel is down about 16 percent. Manufacturing sales are down more than 9 percent. Total department-store sales are down more than 6 percent.

These are mighty big national economic deficits.

Now let's look at the economy as a whole.

When times are good, the total national output increases on the average at the rate of about 4 percent a year. Our national output should be about 4 percent more this year than last. But instead, it is actually 1.3 percent less this year than last. So our national output is really more than 5 percent less than what it should be.

If you put these percentages into dollars, you get a better picture of our situation.

We now need an annual rate of output of about \$379 billion to maintain full employment and full production. Instead, we have a rate of \$359 billion. This means we are now running a national economic deficit of about \$20 billion.

Twenty billion dollars is a terrific loss. It is about twice as much as the cost of running the Federal Government exclusive of defense and veterans' expenditures and the service of the national debt. Twenty billion dollars is enough to replace more than 2 million slum units with decent housing. It is enough to build schools for millions of children, and pay the teachers also. It is enough to build roads and dams and hospitals to benefit the people of every State in our Union.

The administration is not telling us how to rub out this \$20 billion national economic deficit. It is not telling us how to eliminate excessive unemployment. Instead, it seems to be merely hoping and praying that things will not get still worse. The Secretary of the Treasury assures us that we are not going to have what he calls a real depression. The Secretary of Commerce says, why should we worry when the level of economic activity a year from now may be just as good as it is now.

These people just don't realize that our American economy cannot prosper by standing still. More and more young people will be looking for work. Productivity is still increasing. We need a growing national output for full employment and full production. Otherwise, we will have increasing unemployment and a lower standard of living.

I do not predict that this is going to happen. But it could happen if we do too little or do it too late.

The administration has disclosed that its principal remedy is its tax program. So let's take a look at this tax program.

You will all remember what the Republicans said about taxation in the 1952 campaign. They said that the average American family was being crushed by taxes. They went around holding up an egg, and explaining how even eggs were taxed to death. They seemed to be promising greater tax relief for the average American family.

But now it turns out that the big idea is to extend more preferential tax treatment to corporations, and to reduce the taxes on income from dividends. In the first quarter of this year, real wages were lower, personal incomes were lower, and farm income was lower, but dividend payments were higher—in fact, they reached an all-time peak. This, to my way of thinking, is just the place where we do not need tax relief.

In spite of this decline in wages and income, prices have not fallen. The new administration set out to fight inflation, but the cost of living is higher than when they started.

Most of the things they promised to bring down have gone up and most of the things they promised to hold up have come down.

But I do not want you to think that the situation is hopeless. Between now and the end of 1954, we can elect a new kind of Congress. Between now and the end of 1956, the President can get some new advisers. And toward the end of 1956—well, I won't talk about that just yet.

In the meantime, and immediately, we should have a program to stop this creeping McKinleyism, which is the cause of our troubles.

What must we do to restore full employment and full production?

We must strengthen our economy at its base. The great base of our economy is consumer buying, which reflects the standard of living of the whole American people. We now need to raise the standard of living rapidly in order to keep up with our fast-growing productive power. To do this, we must increase consumer purchasing power and then the rest of the economy will automatically grow.

Let me tell you what I think is the right kind of program:

First, the Federal Government must take the leadership in promoting full economic recovery by increasing the annual rate of Federal spending by about \$3 billion above the current level.

Such an increase in Federal spending is needed to strengthen our defenses against aggression, and it is also required to meet our domestic needs—for power and resource development, public works and roads, education and health and housing. This kind of speedup would be one of the quickest and surest ways to spark the revival of employment and production. Even with such an increase, Federal outlays would still be \$2 billion below the level of the middle of 1953.

Second, we can stimulate production and employment by the right kind of tax reduction. This can be in the form of lifting personal exemptions from \$600 to \$800, or through a combination of some increase in exemptions and equitable readjustments in tax rates. In this way, we can quickly pump about \$4½ billion of additional purchasing power into the hands of the people who need it most, and who will translate it into a demand for goods and services.

Even if these two steps enlarged the Federal deficit, it would be better to have a somewhat larger Federal deficit than an enormously larger national economic deficit. But experience shows that the best way to balance the Federal budget is to have full employment and full production. During the period from 1947 to 1953 as a whole, the Government ran a net surplus despite the high cost of national defense, because we maintained a sound and growing economy.

The new administration is running up a budget deficit despite all its campaign promises; and, despite all their reckless budget slashing, they are getting farther away from the prospect of a balanced Federal budget all the time. This is not a surprise to me. If the whole economy is permitted to run downhill, the Federal Government's tax receipts will run downhill, too. National economic deficits do not produce Federal surpluses.

Third, the so-called Benson farm program, designed further to reduce farm prices and farm incomes, should be tossed out of the nearest window. A program to support true parity of income for the American farmer can add at least \$1 billion to his purchasing power within a year. This would also stimulate business and industrial employment, because the farmer is a great purchaser of city products when he has the money to buy them.

Fourth, we should have a clear-cut policy in favor of a rising level of wages. In our kind of economy, wages have to rise as productivity increases. If wages don't go up, we have more goods than people can buy, and that is one of the causes of depression.

The Federal Government should increase the minimum wage to bring the standard into line with present-day conditions. As to other wages, although the Government should not set them, the Government should make clear the wage policies which are in the Nation's best interest.

The Government should not try to weaken collective bargaining by repressive labor legislation.

Democratic administrations have always been lambasted by reactionaries for favoring higher wages. But the record of our economic progress between the end of World War II and 1953, a progress in which business fully shared, provides the answer to these critics.

Fifth, unemployment insurance should be expanded. Broader coverage, payments for a longer period, and larger benefits, can sustain the purchasing power of those who are unemployed. This can never be done by the program of the current administration, which consists mainly in exhorting the States to do what everybody knows they will not do without Federal action. Federal standards and funds must be used to strengthen the nationwide system of unemployment insurance under State laws.

Sixth, a vastly expanded housing program is needed. The administration goal of a million houses a year is about equal to the number of houses that we built in 1925. Meanwhile, our population has grown enormously. Slums have multiplied. The Government should take the leadership in a comprehensive housing program, to double the annual rate of home building as rapidly as possible.

All these six policies would greatly increase buying power. If they were initiated promptly, these remedies would carry us far toward full employment within a year. The increase of employment to the full employment level would in itself add about \$12 billion to purchasing power at an annual rate. Such an increase, along with the six measures I have recommended, would raise the consumption of the products of our factories and our farms enough to give us a full economy.

The longer we delay in getting on this road, the more danger we run of a real depression. The quicker we get on this road, the quicker we will move forward toward realization of the full promise of America—an America without poverty, where every man can have a job; an America without fear, and fully confident of the future; an America registering year by year a higher standard of living for all the people; an America dedicated to the social justice which must accompany economic progress; an America stronger and better equipped, year

by year, to withstand the Communist menace, and to join with the other free peoples of the world in the establishment of a lasting peace.

FISCAL AND MONETARY POLICIES OF THE ADMINISTRATION

Mr. HUMPHREY. Mr. President, from time to time I have addressed myself to the fiscal and monetary policies of the administration. Within the past 3 weeks I have spoken upon the so-called hard-money, tight-credit policy. I reviewed the developments of the past year, making note that it was about a year ago that the Treasury Department made a singular change in the interest rates with respect to the refunding or the funding of the public debt. I made note of the fact that I felt the change of interest rate and of monetary policy was one of the most colossal blunders of all time. I pointed out that it had cost the American people a substantial sum of money and, furthermore, that it had definitely served to depress the economy.

I still feel that one of the most serious mistakes, one of the most critical errors, of the past decade, was the policy of the Treasury Department, as announced in February 1953 with reference to the so-called long-term, high-interest bonds, and the tightening of credit through the management of the Federal Reserve Board.

I am happy to note a recent article by Sylvia Porter, a well-known commentator on economic matters. The article was published in the Minneapolis Morning Tribune. It is entitled "Swift Policy Reversal Restores 'Easy Money.'"

The article reads as follows:

SWIFT POLICY REVERSAL RESTORES EASY MONEY

(By Sylvia Porter)

NEW YORK.—In the summer of 1953 the United States Treasury had to pay 2% percent interest for a 12-month loan. Even at that whopping interest rate it had a tough time getting the cash from the Nation's banks.

This loan is now coming due and the Treasury is replacing the maturing loan with a new one.

But, oh, the difference between then and now, for this week the Treasury is borrowing a new chunk of 1-year money at 1½ percent interest—less than half the rate it had to pay a year ago.

The rate is the lowest since 1949—is almost down to the starvation rates the Treasury paid for money during World War II—when the banks had little else to do with their cash except lend it to the Government.

Thus has the "hard money" policy—which has identified the Eisenhower administration from the start—run a full cycle. Thus has the "easy money" policy returned.

You, the small individual borrower, may not as yet be feeling this change. You still may grumble that loans are hard to get. But the big borrowers are feeling it. The Treasury is getting all the billions it wants at fractions of 1953's charges.

The Nation's States, cities, and big corporations are getting all the money they want at rates at least one-half percent under what they paid a year ago.

The country's builders of large projects are borrowing the millions they need at ½ to 1 percent under last year's charges.

Perhaps the new ease hasn't trickled down to you as yet. But all the pressures are in this direction. It is a reflection of a dramatic drastic shift in Washington.

In the "hard money" era of 1953, the Federal Reserve System, which controls the supply of money and credit, was pulling hard on the credit reins, trying to make money scarce to discourage inflation.

In the "easy money" era of 1954, the Federal Reserve is doing just the opposite—pouring billions into the business stream, trying to make money abundant to discourage deflation.

In 1953 the Treasury was competing for whatever money was available and its competition made borrowing tougher and more expensive for all others—States, cities, corporations, home builders, and home buyers.

In 1954 the Treasury is going out its way not to compete for \$1, not to absorb 1 penny that might otherwise go to States, cities, corporations, builders, or buyers.

"Hard money" was to be a key political issue of this fall. Maybe it still will be—on the basis that even the short time it was in existence there was an economic dip. But rarely, if ever, has there been so complete a reversal in fundamental money policies in so short a time. If "hard money" is a part of the campaign, the argument will be about something that died many months ago.

Mr. President, I now desire to refer to another subject.

The PRESIDING OFFICER. The Senator from Minnesota may proceed.

ONE HUNDRED AND FORTIETH ANNIVERSARY OF THE CONSTITUTION OF NORWAY

Mr. HUMPHREY. Mr. President, on May 17, 1954, the people of Norway will celebrate the 140th anniversary of their constitution. Through 140 years, years of trouble and turmoil in much of the world, the Constitution of Norway has withstood the test of time. Norway today has a stable, democratic, and respected government. The people of Norway have decisively rejected totalitarian extremism of both the left and the right. They have made the ideals of democracy a living reality.

It is characteristic of the people of Norway that this rejection of the false gods of their time has not only been by word but also by deed. We shall long remember Norway's courageous stand against Nazi Germany, both in actual combat in April 1940, and in the tenacious and determined underground struggle in the years that followed. Just as they opposed Nazi Germany, the people of Norway have also defied Communist Russia. Norway is one of the few countries in the NATO alliance which actually has a common boundary with Soviet Russia. In spite of this close proximity of the Red army all of Russia's efforts to intimidate Norway have failed.

Not only have they demonstrated courage and bravery in war and in the inherent threats of this cold-war period but, equally important, they have created an example of democratic government that serves as an inspiration to freedom-loving people everywhere. The deeds of Norwegian democracy represent a powerful force throughout the world, where millions of people are still uncommitted. It is an example of democratic government and free institutions that stands as a mighty power for the principles of freedom.

As an American I am also proud of the contribution which immigrants from Norway have made to our country and particularly to the State of Minnesota. To this I can add an element of personal pride, as my own mother was born in Norway.

As our felicitations go out to the people of Norway today, we recognize our good fortune in having peace and tranquillity at home. Our wishes for Norway are the wishes which we have for ourselves, namely, for a world of peace and freedom everywhere, a world in which peaceful citizens and peaceful nations need no longer be on guard against aggression and tyranny.

Mr. President, I now wish to discuss another matter.

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

A PLEA FOR THE POSTAL EMPLOYEE

Mr. HUMPHREY. Mr. President, before the distinguished junior Senator from Florida [Mr. SMATHERS] pursues the subject matter at hand, I wish to ask of the Senate a little more time in which to conclude some remarks I desired to make yesterday concerning postal employees. There has been a great deal of discussion of postal matters and of legislation pertaining to postal employees. I have prepared an address on the subject, and I ask the indulgence of my colleagues while I pursue the subject to its utmost.

Mr. President, I rise to speak in behalf of our Federal employees, the men and women who work for the Government of the United States.

In recent weeks an editorial appeared in the Minneapolis Tribune under the title of "Morale Boost, Too." It contained the following interesting comment:

The pay increase recommended by President Eisenhower is part of a program to improve the efficiency of Federal employees. Besides having this effect, such an increase also would give morale a much-needed shot in the arm.

The editorial went on to state further:

The program, if enacted, will do much to enhance Government work as a career. This will, in turn, attract workers of higher caliber and thus benefit the entire Nation. Although it may be argued in some quarters that this is no time to increase the costs of government, it seems to us that this would be money well spent.

Mr. President, I share that objective, but not by the method whereby the Republican Party seeks to accomplish it. We need action, however, and not words alone to fulfill our responsibilities. We have not granted pay increases to postal and Federal employees sufficient to keep them abreast of constantly increasing prices or to give them a fair share of the prosperity of the country. The Economic Report of the President transmitted to the Congress in January of this year carried this significant statement:

The upsurge of production and employment, which has been sustained with but brief interruptions in the United States

for about a dozen years, continued in 1953. New records were established in industrial activity, employment, and the disbursement of incomes.

Our postal employees and our Federal employees have not fared well in this disbursement. The take-home pay of clerks and carriers has increased something like 70 percent since 1939 while the cost of living alone has gone up well over 90 in the same period of time. I have had a great deal of correspondence from postal employees in my State. In my opinion, our postal employees have made an excellent case for a substantial pay increase now. Employees in private industry have received increases ranging from at least 20 percent more to 130 percent more during the last 15 years than post office employees during the same period.

When I first learned that the administration had apparently recognized the need for a pay increase I was delighted and prepared to join in a bipartisan effort to achieve economic justice and boost the sagging morale of our Nation's postal employees. Shortly thereafter, however, I started to receive many letters from my constituents in the postal service raising doubts about the administration's program and protesting the Fry report. I did not know at first what was meant by the Fry report. On making inquiry, I found that it was a study made at the behest of Postmaster General Summerfield at a cost of \$50,000 by a firm in Chicago known as George Fry & Associates, Inc. I learned also that the corporation is known as management consultants or efficiency experts.

The pronounced purpose of the study was to evaluate various postal positions. The study was made by 4 people from Fry & Associates and 4 people from Government agencies other than postal. It was said to me that 1 of the requirements for making the study was total ignorance of the postal service, and that if you will read the report carefully you will find that the 8 people making this study were well qualified in this 1 particular. The study commenced some time during the month of November 1953 and was completed with printed reports and elaborate charts by the middle of February 1954.

The post-office employees voice the following pertinent objections to the Fry proposal. I will attempt to list them in what I regard as the order of importance:

First. Grades and classifications are not established by law, but are left entirely to the whims of the Postmaster General. The economic welfare of one-half million people will be surrendered by Congress to one man, and this man neither selected by nor answerable to the voters of America.

Second. The proposal provides severe downgrading features. It is true that the Fry report states and Postmaster General Summerfield has declared loftily that no one will have his salary reduced. But in many instances the man who may follow the present incumbent will do so with a lower salary. On page 17 of the Fry report there is the following interesting statement, which confirms the fact

that in the aggregate the proposal will be a downgrading one:

The total estimated initial added cost of installing and launching the pay plan will therefore amount to not more than 4 percent of annual payroll, or \$80 million. This increased payroll cost, however, will tend to level off and decrease slightly over the years as the new ranges take effect at all levels.

Third. The pay raises provided for in the proposal assume strange contrasts. For example, the increase in the salary of the postmaster at Chicago is \$5,150, while the increase in the compensation of a letter carrier or clerk in the third grade is a mere \$10 a year. There seems to be a complete lack of appreciation of the nature of and importance of the strictly mail-handling operations. Fry & Associates report that they studied 46 separate installations and 1,200 separate classifications—this in less than 3 months and on a type of installation with regard to which they had no previous qualifications whatsoever. Their report indicates some knowledge of occupations that are found in outside industry, but when they start dealing with positions which are of a mail-handling nature, they appear lost.

Fourth. One of the recommendations is not only dangerous, but if adopted and placed in operation would demoralize the spirit of postal employees and destroy civil service. That recommendation can be found on page 4 of their booklet, and reads as follows:

Although it is traditional in the postal service for supervisory positions to be filled by employees advancing up through the ranks, there should be no arbitrary barriers to prevent these positions being filled if necessary by qualified personnel who have gained the necessary experience outside of the postal service.

The question can well be asked, Where can one gain the necessary experience except in the postal service? There is no organization comparable to the postal service in the United States—or for that matter, in the world. Postal employees spend years of study to learn their trade. They must know the names of thousands of people; they must know train, plane, and bus schedules; they must know the location of thousands of cities; they must know the geographical layout of their own and other cities; and, most important of all, they must have a devotion to the ideal of service. This is the cornerstone of the postal service of the United States.

All these will be set aside in the Fry program to provide for the entrance in top positions of qualified personnel from the outside. Where will they secure their qualifications? I am afraid that they will secure them from work perhaps in the political committees of the Republican Party.

Under the Fry proposals, all assignments to grade and position by law are done away with; the Postmaster General can place employees where he pleases, and employees will have no job protection whatsoever. The Postmaster General will hold the welfare and destiny of 500,000 people in the palm of his hand. The day after the legislation he seeks

is enacted into law he could shift every single employee in the service to another position, and there would be no appeal from his action. It is little wonder that the Fry report declares:

This increased payroll cost, however, will tend to level off and decrease slightly over the years as the new ranges take effect at all levels.

This Republican proposal fails to recognize the important positions of rural carriers and fourth-class postmasters, and proposes no increase at all for those employees.

The Fry salary down-grading proposal is a threat to the welfare of the postal employee. It would destroy morale and do away with the most valuable thing we have in the postal service, namely, the spirit of the employees. The postal service, to a greater degree than any single operation with which I am familiar, depends upon the skill of human beings. Every single piece of mail has to be sorted by hand at least 11 times before reaching its destination. From the letter carrier who picks up the mail, through the hands of the post-office clerks and the postal transport clerks, until it is finally delivered by the letter carrier, a letter is handled an average of 11 times. Machines cannot read or think. Each operation is different. Human beings must be depended upon. Every error means delay. Errors result in additional costs because of extra handling; errors often become expensive and inconvenient to the users of the mail. Promptness and exactitude are of prime importance. Therefore, because we depend upon the brain, the eye, the hands, and the nimble limbs of the postal employees for efficient and economical operation, it is vitally necessary that we have intelligent, alert, well-trained, and dexterous employees in the postal service.

The Fry program and its authors apparently overlooked the heart, the brains, and the body of the postal service, and gave their attention to fringe activities which have grown around the vital mail-handling functions. Postmaster General Summerfield apparently has accepted the Fry-Summerfield proposal—his \$50,000 investment, although no one else speaks well of it. I understand that between 125 and 150 witnesses—many of them Members of Congress and representatives of more than a dozen organizations—have appeared before the House committee. Of this vast parade, only two favored the Fry-Summerfield proposals. One, of course, was the firm of Fry-Summerfield, and the other was the National Association of Postmasters, who gave it a qualified endorsement. I spoke yesterday as to why I think the postmasters may have had some interest in the endorsement.

Despite the almost unanimous opposition to the Fry-Summerfield proposal, Postmaster General Arthur Summerfield is eager that the plan be accepted.

On February 3, the Senator from South Carolina [Mr. JOHNSTON] and the Senator from Tennessee [Mr. GORE] called attention to a questionnaire submitted to the public by the Postmaster

General, which was so phrased as to produce the answer he sought with reference to the increase in postage rates. This public-opinion poll was conducted by a private firm, the Wengel Service Corp. The Senator from South Carolina pointed out that the Postmaster General paid \$10,000 or \$12,000 for the poll of 2,000 persons. The Senator from Tennessee at that time called the attention of the Senate to the question of the propriety and legality of the poll, and he quoted section 1913, title 18, of the United States Code, which reads as follows:

No part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation; but this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to Members of Congress on the request of any Member or to Congress through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.

Whoever, being an officer or employee of the United States or of any department or agency thereof, violates or attempts to violate this section, shall be fined not more than \$500, or imprisoned not more than 1 year, or both; and after notice and hearings by the superior officer vested with the power of removing him, shall be removed from office or employment.

Now we find that the Postmaster General is continuing his efforts to influence the Congress to accept the Fry-Summerfield proposal.

He has received support from the National Association of Manufacturers. Washington Bulletin No. 8, under date of February 23, 1954, advised its readers as follows:

Please write or wire your House Member to support the Summerfield postal-pay increase plan as against any across-the-board plan. If you have written, get some of your friends to do likewise.

Postmaster General Summerfield has availed himself of every known publicity measure to force his proposal on Congress and the postal employees. On March 11, 1954, the official publication of the Post Office Department, the Postal Bulletin, was resorted to in an attempt to build up support for the Fry-Summerfield proposal. The use of the Bulletin for this purpose was vigorously protested by the National Federation of Post Office Clerks in their Bulletin of March 13. Declared the Federation News Service:

Something previously unheard of in postal history occurred on Thursday of this week when the Postal Bulletin, an official publication was used as propaganda medium in support of the Fry proposal.

The national executive committee of the federation meeting yesterday condemned this action and characterized it as an effort to secure the enactment by the Congress of the highly unsatisfactory wage proposal prepared by George Fry & Associates, of Chicago.

The Postal Bulletin is an official publication which according to the United States Official Postal Guide, part 1, domestic, July 1, 1951, chapter XIX, article 3, is supposed to contain, "current orders, instructions, and information relating to the postal service (philatelic, airmail, money order, parcel post, etc.), together with changes to the Official Postal Guide, parts 1 and 2, Manual of Instructions for Postal Personnel and amendments to the Postal Laws and Regulations."

The use of the Bulletin, printed and circulated at taxpayers expense, to advance a proposal that would almost inevitably result in downgrading many postal positions with a consequent reduction in wages for many thousands of people, sets a new standard in propaganda tactics.

There is a real need for reclassification of salaries in the postal service. A study of the need for reclassification should be made by committees of Congress and by the officials of the Post Office Department. I believe further that the representatives of the postal organizations should be consulted. We should not have any "covenants secretly arrived at" that are forced upon the Congress by high-pressure merchandising methods. I am of the opinion that the postal employees and the Federal employees need a substantial increase in their salaries in order to maintain an adequate and decent economic position. I believe that Congress at this session should immediately vote such an increase and plan the reorganization study for the immediate future.

In keeping with my belief that an early, adequate wage increase should be approved for postal employees, I urge immediate consideration of S. 3444 by the Senate Post Office and Civil Service Committee.

S. 3444, of which I am cosponsor, provides a 10 percent upward adjustment in most salaries of post office employees. Other provisions of the bill establish a \$400 minimum floor and an \$800 maximum ceiling in the amount of the annual increase. An additional provision designed to simplify the accounting procedures would round off the annual salaries to the nearest multiple of \$100 and would add \$30 to most of the grades.

This proposal embodies the principle of reclassification to the extent that it widens the differential between the lower- and higher-grade employees by as much as \$400.

The benefit to come from this bill, if enacted into law, would be to recognize the area where relief is most needed by awarding a substantial increase to the almost 400,000 clerks, letter carriers, rural carriers, mail handlers, and laborers.

That purpose is in direct conflict and contrast with the Republican administration's proposal, which offers practically no relief at all to this group which forms the backbone of the postal service.

This proposal is very similar to the last wage boost voted by the Democrat-controlled 82d Congress.

It is my hope that the committees of Congress which have the responsibility of considering such proposed legislation will act promptly, and will give us an opportunity to vote on the postal-salary increase bill before too late a date. I am

always fearful that we may delay these matters until the end of the session, and then, in haste, make only a token adjustment, when, in fact, the employees need a substantial and realistic adjustment, in light of the increased cost of living and their increased responsibilities.

REQUESTS OF COMMON CARRIERS FOR INCREASED TRANSPORTATION RATES—MOTION TO RECONSIDER

Mr. BUTLER of Nebraska. Mr. President, I enter a motion to reconsider the vote by which the bill (S. 1461) to amend the Interstate Commerce Act, as amended, concerning requests of common carriers for increased transportation rates, was recommitted to the committee. I do not know when the motion will be considered, but it will be at some future time.

The PRESIDING OFFICER. The motion will be entered.

Mr. RUSSELL. Mr. President, I should like to address a question to the distinguished Senator from Nebraska.

The PRESIDING OFFICER. Does the Senator yield?

Mr. BUTLER of Nebraska. I yield.

Mr. RUSSELL. In view of the motion being entered, are we to understand that the committee does not intend further to study or consider the bill, to see whether it can be rewritten or made more palatable to a majority of the Members of the Senate?

Mr. BUTLER of Nebraska. I have not had a conversation today with the chairman of the committee; but, of course, I shall be guided by whatever the chairman and other members of the committee decide to do.

Mr. RUSSELL. It is rather unusual, let me say, to enter a motion to reconsider the recommitment of a bill, for recommitment has the effect of an instruction by the Senate to a standing committee to review the bill and report again on it.

Of course, I suppose the motion will be in order, if the Senator from Nebraska desires to call it up; but the general purpose of the recommitment of a measure is to enable the committee to review and revise the proposed legislation, and not to have it kept in midair, by means of a motion to reconsider, because when a motion to reconsider is entered, the position of the proposed legislation is almost like that of Mohammed's coffin; it is neither on the earth nor touching the heavens, but is suspended, and no further action can be taken until it is either brought down or sent up.

Mr. AIKEN. Mr. President, is the majority leader in a position to state whether ample notice will be given regarding the time when the motion will be brought up for consideration?

Mr. KNOWLAND. As the Senator from Vermont knows, the motion can be called up at any time. If my advice were sought by the distinguished Senator from Nebraska [Mr. BUTLER] or by the chairman of the committee, I would certainly strongly recommend that ample notice be given, so that all Members of the Senate would be advised, because once the Senate has acted on a measure,

I think it only fair not to have such a motion called up without advance notice. Although there is no rule on this subject, I should think that, normally, at least 2 days' notice should be given, so that any Senator could return if he happened to be away—even if he happened to be as far away as the Pacific coast.

I cannot give any guaranty, but I certainly would strongly recommend that such advance notice be given if the motion is to be called up.

Mr. President, at this time I should like to refer, briefly, to another matter.

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

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, let me state that when the Senate completes its action on the pending bill, S. 2802, relating to fisheries, in view of the fact that it is now 4:15 p. m., I propose that the Senate merely make as the unfinished business House bill 116, Calendar No. 1205, relating to prohibition of the transportation of fireworks in any State in which the sale or use of such fireworks is prohibited. Announcement has previously been given regarding that bill; but we do not propose to have the Senate vote on the bill today. It is proposed that after that bill is made the unfinished business today, the Senate take a recess until Monday, at 12 o'clock noon.

On Monday, as I have previously announced, it is planned to have a call of the calendar of bills and other measures to which there is no objection, beginning at the point where the last call of the calendar ended; in other words, beginning with Senate bill 3373, Calendar No. 1276, to revise the Organic Act of the Virgin Islands of the United States.

When the call of the calendar has been completed, it is proposed to have the Senate return to what I hope will then be the unfinished business, namely, House bill 116, Calendar No. 1205, the so-called fireworks bill—assuming that by then we have disposed of the bill now pending, Senate bill 2802, relating to the distribution of fishery products.

On Tuesday, we expect to take up the independent offices appropriation bill, House bill 8583; it is planned to lay aside any business then unfinished, in order to dispose of that appropriation bill.

By Tuesday of next week, when the minority leader has returned, I expect to consult with him about another series of bills, and thereafter to make an announcement to the Senate.

In addition, as previously announced, Senate bill 975, Calendar No. 1190, to amend the Home Owners' Loan Act of 1933, as amended, has been scheduled for consideration. I have been requested by the minority to hold up action on that bill at least until Monday. I now understand that the Senator from Illinois will be out of town; and I believe that the minority desire to have action on that bill go over, if possible, until Wednesday. I shall try to make arrangements to that end, so the bill will not come before the Senate before Wednesday.

I desire to state to the Senate, as more or less of a plea, that it is very difficult

for any majority leader who is trying to schedule proposed legislation, both to attempt to meet the needs of individual Senators on both sides of the aisle and at the same time to keep the legislative program moving along, so that it may be possible to have the Senate adjourn sine die by July 31, for I find that when an attempt is made to oblige one Senator, very often a Senator on the other side will find the arrangement inconvenient to him. But I have tried, and I shall continue to try, as long as it is possible, in keeping with the legislative program, to work out arrangements so that the schedule will be generally agreeable.

I merely wish to make this announcement, so that all Members of the Senate may be fully advised.

DISTRIBUTION OF FISHERY PRODUCTS

The Senate resumed the consideration of the bill (S. 2802) to further encourage the distribution of fishery products, and for other purposes.

Mr. SMATHERS. Mr. President, several years ago there appeared in the waters along the gulf coast of the United States a group of what are referred to as micro-organisms which have the characteristics of both animal and plant life. They have come to be commonly known as the "red tide," and have the same characteristics as those of the "red tide" that is of vital consequence in other areas of the world.

This particular "red tide" appeared in the waters off the gulf coast of the United States, wherever the waters of the Gulf of Mexico touch the United States. It produces a poisonous waste product which is absorbed into the bloodstream of fish, with the result that in a short time they die.

Mr. President, whenever the "red tide" appears off the coast of Florida, Louisiana, and Texas, billions of fish die and are found floating on the surface of the water. That is of tremendous consequence to the people of Florida and to the people of other States along the gulf coast, not only because of the loss of the fish and the consequent reduction in activity on the part of commercial and sports fishermen in that area; but also because of the fact that when the dead fish float up on the beaches and begin to deteriorate, the odor is so obnoxious that the use of those areas for recreational, resort, and vacation purposes is most adversely affected. As a result, the property owners have been very much distressed, and there have been great resultant losses in income to the States of Florida, Louisiana, Texas, and other States on the gulf coast.

In order to give the Senate some idea of what actually happens in that connection, I wish to read a letter I have received from the Chamber of Commerce of Sarasota, Fla.:

CHAMBER OF COMMERCE,
Sarasota, Fla., May 8, 1954.

HON. GEORGE SMATHERS,
Senate Office Building,
Washington, D. C.,

DEAR SENATOR SMATHERS: The extent of damage and loss due to the "red tide" is incalculable, but very real and potentially

astronomical. It is possible only to hint at dollar figures because of the many intangibles involved. In January a research team of the marine laboratory of the University of Miami made a hasty on-the-spot survey, covering a 2-month period only, that showed a loss of over a million dollars in tourist income and to commercial fishing. Here is their breakdown:

	Tourist loss	Commercial fish
		<i>Pounds</i>
Palmetto.....	\$10,000	80,000
Bradenton Beach.....	210,000	600,000
Bradenton City.....	200,000	60,000
Sarasota Beaches.....	280,000	200,000
Anna Maria Island.....	50,000	10,000
Total.....	750,000	950,000

At a retail rate of 33 cents per pound, the loss in commercial fish amounts to \$313,500 which, coupled with a three-quarter-million-dollar loss in tourist revenue gives a total figure of \$1,063,500.

Project this figure back through August 1953, when the tide appeared, and extend it to the rest of the affected area; add to this the losses in retail sales, real-estate sales, construction, and other factors and the sum becomes truly astronomical.

Fortunately for the entire west coast of Florida there were no large-scale fish kills by the "red tide" during the height of the season, from January 15 to April 1, when Sarasota alone was host to more than 50,000 winter visitors. If the tide had returned during that period, littering the beaches with dead fish and accompanied by the noxious gas it produces, there would have been a mass exodus of tourists that could have bankrupted many accommodations owners dependent entirely on tourists and many businesses indirectly dependent on the tourist trade.

Sarasota County alone has an investment of more than \$100 million in tourist facilities and businesses dependent on a healthy tourist trade.

More important than any actual dollar loss that has occurred, which, of course, has been considerable, is the potential and intangible loss that the mere fact of continued existence of the "red tide" creates.

Who will invest hard-earned capital in the construction of new tourist facilities, or businesses catering to tourists, or catering to those who cater to tourists—which takes in practically every type of business in a resort area—with the threat of a "red tide" ever in the offing?

The value of real estate and property in the affected area is at a standstill, if not actually declining. If the "red tide" persists—with ever more frequent severe outbreaks, as seems to be the case—it will cause a depression of major proportions along the entire lower Florida gulf coast—while the rest of Florida and the Nation continues to enjoy prosperity and growth.

Sarasota County has been growing at the rate of 15 percent per year since 1950, with a more than 100-percent increase in population since the close of World War II, as the attached statistical data sheet demonstrates. Assessed valuation of the county (assessed at a one-third basis) has increased from \$30 million in 1946 to \$62 million in 1953.

It is this healthy growth that is threatened. We have no industry to speak of and agricultural activity does not count for more than 25 percent of the economy, if that much. It is because Sarasota County is a wonderful place to live and to visit that it is growing.

The "red tide" can—and is—nullifying all of the favorable factors.

We used to have a mosquito problem which retarded our summer growth and tourist

activity, but we got together and licked that situation through ditching, drainage, and other control measures.

We are ready to do the same thing with the "red tide" if someone will tell us what to do.

The "red tide" is beyond the scope of any presently known control measures.

We don't know what to do. That's why we're appealing to the Federal Government—as would any section of the American people who are faced with a natural disaster beyond their scope or control.

We hope that every possible resource of the Government, through the United States Fish and Wildlife Service of the Department of the Interior, can be thrown into research to solve this problem.

Sincerely,

TOD SWALM,
Manager.

Mr. President, I now read from a letter which I have received from the Bradenton Chamber of Commerce:

MAY 8, 1954.

HON. GEORGE SMATHERS,
United States Senator,
Senate Building, Washington, D. C.

DEAR SENATOR SMATHERS: It is difficult to calculate definitely in dollars and cents the amount of damage that has been done, or may be done, by the reappearance of the "red tide."

We have a \$4 million commercial-fishing business at Cortez, and when this "red tide" strikes the area, it practically puts this industry out of business, not only at the time it occurs, but it is far reaching. It kills the fish, it kills the market, and the buyers are not interested for some time after it has done its damage.

Also, our sports fishing is destroyed by the "red tide." This is a big industry and a great attraction, not only for our own citizens, but for our visitors. It is just as devastating to the tourist business as it is to the fishing industry. There is a large investment in motels and other living accommodations on the island, which depend almost solely on rental of property. When the "red tide" strikes, the tourists leave, and many of them who are there for the first time will leave and spread the news abroad. It is more far reaching than at the time it occurs, because investors are not interested in building motels or living accommodations, with the threat of the "red tide" hanging over them. If it strikes at any particular area, it affects the entire west coast of Florida.

We believe that you could be of no greater service to this community than to insist that money be made available to increase research facilities for the study of the cause, and especially for some remedy.

I shall not burden the Senate with any further reading of numerous telegrams and letters received by me. I therefore ask unanimous consent to have printed in the body of the RECORD, following the letters which I have just read, a telegram from the Clearwater, Florida, Chamber of Commerce, in which it is stated, in essence, that the "red tide" damage has already amounted to approximately \$3,750,000 in the past 12 months.

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

CLEARWATER, FLA.

Senator GEORGE A. SMATHERS,
Senate Office Building:

In Clearwater alone "red tide" damage has already amounted to \$3,750,000. Party and charter boat loss of revenue, \$500,000. Commercial fishing industry loss, \$250,000. Loss to hotel, motel, restaurant, and other serv-

ice industries \$3 million. Considerable effect is still being felt as result of tide, which would make eventual total loss considerably more than figures given.

PAUL H. FIGHT,
Manager-Secretary, Clearwater
Chamber of Commerce.

Mr. SMATHERS. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point a telegram received from the Lee County Chamber of Commerce, Fort Myers, Fla., stating that it is estimated that more than half a million dollars has been lost to this area due to canceled reservations, shortened vacations, and the lack of commercial fishing, because of the "red tide" rumor.

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

FORT MYERS, FLA., May 10, 1954.

Senator GEORGE SMATHERS,
Senate Building:

Estimate half-million-dollar loss this area due to canceled reservations or shortened vacations and people afraid to stop here because of "red tide" rumors. This office constantly receives letters from prospective tourists inquiring if it is safe to vacation in this area because of "red tide."

ALAN J. ROBERTSON,
Manager, Lee County Chamber
of Commerce.

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed in the RECORD a telegram received from the Chamber of Commerce of St. Petersburg, Fla., stating that the damage to that area is estimated to total hundreds of thousands of dollars and asking that Congress take appropriate action to curb the "red tide."

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

ST. PETERSBURG, FLA., May 10, 1954.

HON. GEORGE SMATHERS,
Senate Office Building:

Re telegram May 7, relative loss and damage "red tide" infestation. Pinellas County area has not had serious infestation since 1947. Loss and damage this area account recent infestations Bradenton-Sarasota area impossible estimate, although actual loss of business our area account notoriety applied to entire west-coast area. Sarasota has advised you their estimate most recent infestation affecting their area. The 1947 infestation affecting this area practically stopped use tourist accommodations on the gulf beaches for 6 weeks. Loss and damage never actually estimated, but would total hundreds of thousands of dollars. Any new or rumored infestation affecting this area would be of tremendous economic impact on entire area with lasting result because of notoriety. Hope you will do everything in your power to assure continuance investigation and development method of assuring precautions, and that if any future infestations be properly and quickly combated.

WILLIAM F. DAVENPORT,
Manager, St. Petersburg
Chamber of Commerce.

Mr. SMATHERS. Mr. President, I have received a letter from the wife of a commercial fisherman and ask the indulgence of the Senate while I read it.

CORTEZ, FLA., May 10, 1954.

DEAR SENATOR SMATHERS: I am writing to you as a wife and mother to see if there isn't something that can be done to keep the fishermen out here. You see my husband is

a commercial fisherman, and this "red tide" has certainly hurt us.

We have 2 children in school, 1 in the seventh grade and 1 in tenth grade, and we need some kind of help. Fishing is very bad here and so do other families need help. I hate to see my children do without so much of the necessities (not luxuries) as they need so many things. They both need dental work and my daughter needs her glasses changed, as she has been wearing the same ones for over 3 years, and they aren't doing her eyes any good anymore. But we can't do these things for them. Also my husband needs dental work done and an eye examination very badly. We live in a trailer here in Cortez, have rent to pay and we owe almost \$300 on the trailer to a finance company, and can't make the payments. I am afraid they will take it away from us. We are having to buy groceries on credit and have quite a bill with the grocery store, all because fishing is so bad here. He didn't make any money this past week nor did he make any the week ending April 24, and such small amounts other weeks that we can't possibly pay all of our bills, and we are having a terrible struggle. We aren't alone as there are other families here in Cortez having difficulty, also.

Couldn't there be something done for the fishermen like the farmers have of getting help when they have crop failures and get Government help? I think this bears looking into as the fishermen need help.

I sure hate to see my children have to do without necessities that are needed for their health and welfare. During the past 4 weeks my husband's pay has been \$91.18, and that isn't enough for four people to live on and have dental care and clothing, which is much needed.

I know that you could get some kind of support for the fishermen if anyone can, and I would do all I could to help if I could.

Thank you for reading this letter and I hope that there can be some kind of aid for us.

Yours truly,

Mrs. J. E. NEYLAND.

For the reasons stated, Mr. President, I am very much in favor of Senate bill 2802. I have listened to discussion and debate in the committee, and to the testimony which was given by the witnesses as to what could and should be done in order to protect the fishing industry. They all advocated an expenditure for research into the causes for what is now happening to the oyster beds, the shrimp beds, the cod, mackerel, and other fish along our coasts. It seems clear to me that something should be done immediately to provide funds for such purpose.

I understand, in connection with the bill, there is to be an agreement that the amount of money which will be used for research to improve the situation so far as shrimp, oysters, and all other forms of fish life are concerned, shall be limited to \$3 million. I am sorry it is to be limited to \$3 million; but I recognize that there may be justification for it.

I think this is a desirable and a satisfactory bill and certainly the \$3 million which we are asking, for a period of only 3 years, is a reasonable amount. It is fair to say that the fishing industry is entitled to it, because, as I understand, the money comes originally from the tax levied on the importation of fish. It is not an additional appropriation or a subsidy, but merely a transfer of funds. It seems to me that if the source of the money is the fish which are caught in waters outside the United

States and imported into the United States, certainly 30 percent of that money could be used to develop and improve the fishing industry of the United States. It is not enough, but at least it would be a start toward something which is indeed worthwhile.

I yield the floor.

Mr. AIKEN. Mr. President, my opposition to Senate bill 2802 is not based upon any desire to withhold such funds as may be necessary to carry on adequate research in the fishing industry. Rather, my opposition is based upon the fear that the method by which the proponents of the bill propose to get the funds may be the first step toward chipping away the money which is available and which has been authorized by the Congress for sustaining an adequate farm program in the United States.

The bill proposes to take from the section 32 funds already appropriated to the Department of Agriculture that part which is derived from the tariff on fish, fish products, and other seafoods. This amounts to \$3 or \$4 million a year. It seems like a very small amount, considering the sums with which we deal in Congress; but, in view of the fact that it might establish a precedent and constitute an invitation to others to start chipping away at agricultural funds, I feel that the bill is not good legislation.

As Senators know, section 32 funds represent 30 percent of the customs duties, and the 30 percent is dedicated to the removal of surpluses of agricultural commodities and the development of new markets by the use of such surpluses.

Section 32 funds amount to substantial sums. In the past few years we have received from that source from \$100 million to \$172 million. I believe the year 1952 was the year of the largest receipts.

Of this sum, \$1½ million may be devoted to the removal of surplus fish and seafood from the market, but it has not been necessary to use this fund for that purpose to any great extent, for the simple reason that in most years we have been confronted with a shortage rather than a surplus of fish and other seafoods.

For the most part, section 32 funds have been used for the purpose of removing perishable or nonbasic commodity surpluses from the market. In fact, the law provides that they shall be used principally for that purpose. They have been used from time to time for the purchase of apples, raisins, beef, cranberries, turkeys, poultry products, and many other products. I believe that, dollar for dollar, our agricultural support program derives more benefit from section 32 funds than from any other source.

During the past year we have carried on an extensive program for the purchase of low-grade beef; and as a result the price of canners and cutters has gone up from 6 or 7 cents a pound, or \$6 or \$7 a hundred last fall, to between \$11 and \$14 a hundred at the present time. When these commodities are taken off the market they must be disposed of. The school-lunch programs afford an opportunity to dispose of them to a large extent, and such commodities have been devoted extensively to school-lunch pro-

grams. In fact, in the State of Massachusetts alone, where 383,000 students enjoy school lunches, more than \$3 million worth of surplus commodities have been contributed by the Commodity Credit Corporation over the past 9 months.

I know that this fund looks very inviting to those who want to get money without having it show up in an appropriation bill. They point out that in certain years there has not been used for the removal of agricultural surpluses all the money which has been available in section 32 funds. That is true. During the 2 years of the Korean war it was inadvisable to spend all the available funds, and a considerable sum of money was turned back into the Treasury. The law permits the fund to accumulate to the amount of \$300 million, and last July it had accumulated to the maximum amount; there was \$300 million available. Added to that amount was—I do not have the exact figure before me—approximately \$160 million, which was also available.

This year, with the large beef-buying program which we have had to undertake, and the purchase of other surplus commodities, we shall spend an estimated \$228 million of section 32 funds, which will reduce the revolving fund from the \$300 million level of July 1953, to approximately \$244 million as of 1954. If we keep it up we may find ourselves at the point where \$4 million a year taken out of this fund will represent a real loss to our agricultural programs.

We do not know how much of this money we will have to spend this year. It depends on the weather, and on conditions generally. No one can foresee what will be necessary to be done. That is why this fund must be kept flexible and stable, to be used whenever it is necessary to use it.

It is possible to use only 25 percent of the fund for the purchase of any one commodity. Had it not been for the \$300 million carryover, plus the current receipts of 1952, we would have been unable to undertake the expensive beef-buying program which was inaugurated last year.

This year it is entirely possible that we may again have to purchase huge quantities of beef, because it is anticipated that there will be a very heavy culling in the dairy herds after the spring season.

Section 32 funds are also used for subsidizing exports. In that field we have spent in the past few months \$8 million; \$3,200,000 for subsidizing exports of citrus fruits, \$2,800,000 for wheat, and \$1,500,000 for raisins, and I suppose a smaller amount for some minor commodities as well.

The Department of Agriculture objects very strenuously to having these funds chipped away. When the bill was introduced on January 22, it was, in accordance with custom, submitted to several departments of the Government, to get their opinion on it. Those opinions were received at various times, and they are printed in the report of the hearings on the bill.

Some of the agencies stated they were not concerned with it. The State De-

partment was very much concerned about it and stated it believed full consideration should be given to the views of the Bureau of the Budget.

The Bureau of the Budget very evidently does not approve of this bill. If it does, it has failed to say so anywhere in the RECORD.

As I have said, the bill was introduced on January 22. On February 26 a letter was received from the Department of Agriculture in which the Department very strongly opposes the legislation and states that the Bureau of the Budget advises that it has no objection to the submission of the Department's report.

Later on the Department of Agriculture made another very strenuous objection to the enactment of this bill.

I ask unanimous consent to have the letter of the Department of Agriculture, under date of February 26, 1954, and the statement submitted by the Department printed in the RECORD at this point in my remarks.

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

DEPARTMENT OF AGRICULTURE,
Washington, D. C., February 26, 1954.
HON. JOHN W. BRICKER,
Chairman, Committee on Interstate
and Foreign Commerce, United
States Senate.

DEAR SENATOR BRICKER: This is in reply to your request of January 25, 1954, for a report on S. 2802, a bill to further encourage the distribution of fishery products and for other purposes.

The bill would amend the act of August 11, 1939 (Public Law No. 393, 76th Cong.). Section 1 of that act authorizes the Department of Agriculture to use each year from section 32 funds an amount not in excess of \$1,500,000 for the purchase and distribution, through public and private relief channels, of surplus fish and fish products. Section 2 of that act authorizes this Department to transfer annually to the Department of the Interior \$175,000 of such sum for the development of domestic markets and for conducting a fishery educational service with respect to fish and fish products.

The bill would amend section 2 of the act. It would require that each year the Secretary of Agriculture transfer to the Secretary of the Interior an amount of section 32 funds equal to 30 percent of the gross receipts from duties collected under the customs laws on fishery products. These moneys would be maintained in a separate fund by the Secretary of the Interior to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service and fishery research programs, and to develop and increase markets for fishery products. The Secretary of the Interior would be further authorized to retransfer funds available under this section to the Secretary of Agriculture to be used for the purposes specified in section 1 of the act, i. e., the purchase and distribution of surplus fishery products.

On the basis of the duties collected on fishery products during 1953, the bill would require the annual transfer of approximately \$3 million of section 32 funds for the above purposes.

The Department does not believe that a mandatory assignment of section 32 funds should be made each year for use in connection with fishery products, without any determination as to the need of such products for marketing assistance. Surpluses vary from year to year among the different commodities for which section 32 funds may be used. It is desirable, therefore, to retain

maximum flexibility in the administration of such funds for procurement and distribution of commodities according to the relative importance of the surpluses.

With respect to the increase in funds for educational, developmental, and research programs on fishery products, the Department of Agriculture—through the Agricultural Research Service—conducts research in nutrition and in the utilization of agricultural products, including fish, as food and also maintains educational service to homes and institutions regarding all food products. The Department, through its plentiful foods program, works with the food trade to promote the distribution and consumption of those foods, including fish, which are in surplus supply. It would not seem advisable to expand such services in another department not primarily concerned with the marketing and utilization of food products.

In view of the above, this Department recommends against passage of the bill.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE,
Under Secretary.

STATEMENT OF THE UNITED STATES DEPARTMENT
OF AGRICULTURE

This statement is in response to a request from the chairman for the views of the United States Department of Agriculture relative to S. 2802, a bill to further encourage the distribution of fishery products, and for other purposes.

This bill would amend the act of August 11, 1939 (Public Law 393, 76th Cong.). Under section 22 of the Agricultural Adjustment Act an amount equal to 30 percent of gross customs receipts, together with certain carryover balances, is made available annually to the Department of Agriculture for the removal from the market of agricultural surpluses including fishery products, and for the general purpose of expanding markets for agricultural commodities. Section 1 of Public Law 393 authorizes the Department of Agriculture to use each year from section 32 funds an amount not in excess of \$1,500,000 for the purchase and distribution, through public and private relief channels, of surplus fishery products. Section 2 authorizes the Secretary of Agriculture to transfer annually to the Department of the Interior \$175,000 of section 32 funds of which \$75,000 shall be used to conduct a fishery educational service and \$100,000 to develop markets for fishery products of domestic origin.

The bill before the committee would amend section 2 of the act of 1939 referred to above. It would require that each year the Secretary of Agriculture transfer to the Secretary of the Interior an amount of section 32 funds equal to 30 percent of the gross receipts from duties collected under the customs laws on fishery products. These moneys would be used by the Secretary of the Interior for conducting fishery educational and research programs, as a means of developing and increasing markets for fishery products. The Secretary of the Interior would be further authorized to retransfer funds available under this amendment to the Secretary of Agriculture to be used for the purchase and distribution of surplus fishery products under section 1 of the original act.

The amount of section 32 funds required to be transferred from the Department of Agriculture to the Department of the Interior would be equal to 30 percent of the customs receipts collected on fishery products. Based upon annual customs collections since 1939, this sum would have ranged between \$612,000 and \$3,164,000. For the current fiscal year, this 30 percent provision would have resulted in the transfer of approximately \$3 million.

The Department of Agriculture cannot approve this bill, inasmuch as we are strongly opposed to the mandatory assignment of section 32 funds for use in connection with any particular commodity or product, including fishery products. The main purpose of section 32 programs is to increase the consumption of surplus products through direct purchase for distribution outside normal channels of trade, through encouragement of exports, through diversion to by-products or other new or additional uses, and various other means (for example, encouraging the increased normal use of plentiful foods during certain seasons). The Congress has further indicated that section 32 funds shall be used principally for perishable products rather than for those major farm commodities which are subject to mandatory price support.

In effect the Congress has provided for a very flexible program, vesting considerable administrative discretion in the Secretary of Agriculture, and we believe that this should be continued. In our opinion the distribution of surplus foods should be carried forward through an orderly machinery, administered by one department of the Federal Government both in the interest of efficiency, and of preventing duplication as among various distributive agencies and confusion at the local level.

In this connection we are not altogether clear whether the retransfer of funds provided for purchase and distribution activities is in addition to or in lieu of the funds otherwise available for fishery products under section 1 of the original act.

Section 2 (a) of the bill before the committee does, however, raise a separate question from the purchase and distribution matters discussed above. This section provides that the section 32 funds which are to be transferred to the Secretary of the Interior shall be used for conducting a fishery educational service and fishery technological, biological, and related research programs in such a way as to assist in increasing markets for fishery products of domestic origin. The Department of Agriculture is not opposed to such activities as these. As already indicated, current statutes do provide for the transfer of \$175,000 of section 32 funds each year to the Secretary of the Interior for education and market development.

But if this work needs to be increased, we do raise the question as to the most appropriate method of providing the necessary authority and funds. Customs receipts, especially from particular products, vary from year to year whereas research and education are, as a rule, the kind of activities which need to be built up gradually, after which they should be maintained for a considerable period of time at a fairly stable level. As a result, we feel the committee should consider whether it would not be more desirable to provide for such activities through the regular appropriation structure, which is the manner in which most research and related educational activities are now financed.

We realize the point has been made that some section 32 funds have been returned to the General Treasury. But we do call the committee's attention to the fact that section 32 expenditures for the current fiscal year as well as prospective section 32 expenditures for the coming fiscal years are in excess of the new funds available so that the section 32 carryover is now being reduced.

In conclusion, the United States Department of Agriculture believes that legislation in accordance with the section 32 fishery bill now before the committee would constitute a substantial step toward fragmentation of the section 32 appropriation and must as a result recommend against enactment of such legislation.

MR. AIKEN. Mr. President, one favorable report on the pending bill was

received. It was from Mr. Orme Lewis, Assistant Secretary of the Interior. Mr. Lewis approved the bill and approved the effort to take \$3 million, or approximately that amount, from the funds already appropriated to the Department of Agriculture and to transfer them to the Department of the Interior.

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

Mr. AIKEN. I should like to finish one more sentence. Mr. Orme Lewis' letter is dated April 1, 1954, more than 10 weeks after the bill had been introduced. I shall read the last sentence of Mr. Lewis' letter:

Since this is a revised version of a report originally submitted to the Bureau of the Budget and in view of the urgency of making a report to your committee, it has not been possible to obtain the views of the Bureau of the Budget on this revised report.

Yet other agencies of the Government had obtained the views and the approval of the Bureau of the Budget to their adverse report more than a month earlier. It seems to me, Mr. President, that in waiting 10 weeks and then saying that he did not have time to obtain the views of the Bureau of the Budget, he was simply trying to bypass the Bureau of the Budget. No other conclusion can be drawn.

Mr. President, I do not like this way of legislating. I do not like this effort to chip away the funds of the Department of Agriculture which is used in our farm programs.

It is not good legislation. It is a hidden appropriation. It is an appropriation made to one department and charged to that department, and then the effort is made to transfer a part of the appropriation to the use of another department. If it is advisable to find more money for fisheries research, I see no reason why an appropriation cannot be made for that purpose.

There is no function authorized in the bill which has not been previously authorized by law. The only difference is that, instead of adding it to the appropriation bill, the proponents of the pending bill seek to take money which is already appropriated to the Department of Agriculture.

I have suggested that they take—although I do not approve of making appropriations in that way—money from that part of the tariff receipts which is not already dedicated to some other objective.

Even in connection with the wool bill the woolgrowers and the wool manufacturers and others who supported that bill made no effort to take away from the Department of Agriculture the 30 percent of the tariff receipts already dedicated to a very important purpose.

So far as I know, this is the first effort which has been made in this direction. I do not approve of it. I do not believe the bill, in its present form at least, should become law. I believe that we should be ready at all times to step in where price-breaking surpluses appear and use the funds to the best advantage in order to stabilize our agricultural economy.

I realize it is growing late, Mr. President, and I do not wish to bore the Sen-

ate any longer. I do not believe this is the proper way to legislate, and I cannot understand why the proponents of the bill will not put their project on its own feet and request an appropriation for it. Section 32 funds are dedicated to the removal of surpluses. The pending bill, which proposes to chisel into section 32 funds, is said to be dedicated to preventing shortages and to increasing the number of fish so that those engaged in the fishing industry can make a living.

Mr. HOLLAND. Mr. President, I wish, first, to commend the statement of my distinguished colleague [Mr. SMATHERS] with reference to the urgent problem recently existing on the west coast of Florida—the red tide—which is one of the many problems which the funds made available under the provisions of this bill will allow us to solve by exerting more adequate efforts better to serve not only the industries immediately affected but the general public of the Nation.

I wish to say, Mr. President, that I agree completely with the distinguished Senator from Vermont that the methods adopted under this bill for financing this program is unfortunate, and yet I feel that the emergencies existing not only in the gulf coast area, but in the Atlantic area of my own State and elsewhere in the Nation are so great that we are justified in temporarily adopting this measure in order that immediate progress may be made in solving the problems which so heavily press upon us.

I do wish to say, however, not only for myself, but for the distinguished junior Senator from Georgia [Mr. RUSSELL], who was called from the Chamber a few moments ago, and at his request, that we regard this measure as a temporary one, insofar as the method of financing this farflung effort is concerned. We have gladly agreed in informal conference to the enactment of this measure including the method of financing it for a period of 3 years.

Mr. THYE. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I shall be glad to yield in a moment.

We believe that a 3-year trial period will manifest the advantages of the program and that it will be easy thereafter to support the program through appropriations from the general revenue funds. Both the distinguished Senator from Georgia and myself—and I am sure I speak for many other Senators who have the same feeling—are completely willing at this time to have this activity financed through general revenue funds, and we believe that the program to be advanced will manifest its importance so greatly in the 3-year period that it will be an easy matter to continue it in the years to follow that 3-year period.

Before leaving this point, however, Mr. President, I wish to make it clear that many of us feel it is an experimental, emergency program, and that it should justify itself, as we believe it will justify itself, within the 3-year period, so that there will be no problem with reference to securing additional revenue after that time from general funds.

I now yield to the Senator from Minnesota.

Mr. THYE. Mr. President, I should like to comment on the point just made by the able and distinguished Senator from Florida. It is very important to bear in mind that the bill does not involve permanent legislation in the sense that we are going to continue to take section 32 funds in order to finance the program. I think the Senator is entirely justified in inviting attention to the fact that it is only for 3 years. If the research project proves its merit, then a direct appropriation should be made to carry on the function.

We request funds under section 32, because there is a substantial balance on hand, and we desire to make a trial run in the field of research for the benefit of those who are engaged in fishing operations.

I wish to concur in the statement which the distinguished Senator from Florida made to the effect that this bill should not be looked upon as permanent legislation. It must be recognized as covering an emergency situation. It is a research undertaking, and we are seeking temporarily to finance it by this method, because there is a substantial balance of section 32 funds.

I wish to emphasize the fact that the only reason I support this proposed legislation, and the only reason I am a cosponsor of the bill, is that it has to do with a research project. We wish to find out what the fisheries problems are. If there is need to continue research, we should have a direct appropriation.

Mr. HOLLAND. I thank the distinguished Senator from Minnesota, and I am completely in accord with his expressions.

If I may hurry along, Mr. President, let me say that the State of Florida happens to have the most extensive coastline of any State in the Nation—approximately 1,200 miles. As an incident, we have a large and very varied group of marine industries. We are tremendously interested in the objectives of the bill which is before us. I personally feel that those who are engaged in marine industries in my State are just as much entitled to our sympathetic consideration as are those who are engaged in agriculture.

So it is a pleasure to support as temporary legislation this particular measure.

The State of Florida produces great quantities of food fish and great quantities of fish for the production of oil and fertilizer. We produce large quantities of shrimp, sponges, and shellfish of a great many varieties. This measure is of great importance to us.

Not only have amendments been agreed upon in good spirit by all of us on both sides of the aisle, limiting the period of this program to 3 years, but also limiting the amount to be spent each year to \$3 million, and likewise providing that there shall be a full report made annually by the Secretary of the Interior to the Congress showing the exact nature of the program and reporting the progress made.

Other safeguards have been recommended, and amendments will be introduced shortly.

The objectionable feature of the bill is that we reach into section 32 funds

which, insofar as the producers of the great majority of agricultural production in this country are concerned, are the only substantial source of help to which we can turn for Federal financing in the event of surpluses or the occurrence of unusual problems.

So far as Florida is concerned, our three greatest agricultural industries are the production of citrus fruits, vegetables, and cattle. For these we have no support-price programs. We have asked for none, and we want none. But we have found occasions when we very badly needed a little help by way of the removal of surpluses, or, since the war, by way of assistance in reestablishing our export business. In one form or another such help was made possible through a judicious use of section 32 funds.

Mr. AIKEN. I desire to point out something which I forgot in my earlier remarks, namely, that this year we may possibly have to call extensively on section 32 funds, because of the large plantings of vegetables and other crops on the acres which have been diverted from the production of wheat, corn, and cotton. Probably the farmers who have planted on this land which has been taken out of the production of other crops should not be considered eligible for price supports. But that is not where the trouble comes from. The trouble comes from the old, regular vegetable producing areas, which will have to meet the competition which will arise as a result of the plantings on land withdrawn from the production of wheat, corn, and cotton.

So it may be that we shall have to call extensively, possibly to the extent of many millions of dollars, on section 32 funds in order to stabilize the vegetable situation.

Mr. HOLLAND. The Senator from Vermont, as usual, is exactly correct in reference to the problem which will likely face us this year. I have just said that, insofar as the principal crops in my own State are concerned, we have had to look occasionally, but not often or not for great amounts, to section 32 funds, on which perishable crops which do not have price supports are given a prior claim.

Mr. President, notwithstanding the fact that section 32 funds are the principal, and almost the only, source to which we can turn, I am certain that the agricultural industries in Florida would not only be willing, but would be glad, to see some help given to their brethren in the fishing and allied industries, who are even worse hurt at present than is anyone in agriculture in our region. Therefore, we go along gladly in supporting the program, but always upon the understanding that we do not expect to set a precedent by it, and that we do not expect to see it continue to operate as a withdrawal from an agricultural pool which is of tremendous importance to the country as a whole and to more than half of the agricultural producers of the Nation.

I yield the floor.

Mr. DUFF. Mr. President, I ask unanimous consent that the committee amendments to S. 2802 be agreed to en bloc, with the understanding that they may be considered as the original

text for the purpose of further amendment.

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

Mr. THYE. Reserving the right to object, do I understand correctly that these amendments have been discussed with not only the authors of the bill but also with the minority leader?

Mr. ELLENDER. As I understand, the Senator from Pennsylvania is referring to the committee amendments.

Mr. THYE. I have no objection.

The PRESIDING OFFICER. Without objection, the committee amendments are agreed to en bloc, with the understanding suggested by the Senator from Pennsylvania.

The amendments agreed to en bloc are as follows:

On page 2, line 4, after the word "mollusks", to strike out "and"; in the same line, after the word "crustacea", to insert "aquatic plants and animals, and any products thereof, including processed and manufactured products"; in line 16, after the word "origin", to insert "and (3) to conduct any biological, technological, or other research pertaining to American fisheries"; on page 3, line 7, after the word "commodities", to insert "and he is authorized to appoint an advisory committee of the American fisheries industry to advise him in the formulation of policy, rules and regulations pertaining to requests for assistance, and other matters"; in line 14, after the word "act", to insert "and only such funds as are thus transferred shall be used for the purposes specified in section 1 of this act with respect to domestically produced fishery products"; and after line 17, to insert "(e) The separate fund created for the use of the Secretary of the Interior under section 2 (a) of this act and the annual accruals thereto shall be available until expended, except that the balance of the fund shall not exceed \$5,000,000 at the end of any fiscal year, and the Secretary of the Interior shall retransfer the funds in excess of said \$5,000,000 balance to the Secretary of Agriculture to be used for the purposes specified in section 32 of the act of 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended", so as to make the bill read:

Be it enacted, etc., That section 2 of the act of August 11, 1939 (53 Stat. 1411), is hereby amended to read as follows:

"SEC. 2. (a) The Secretary of Agriculture shall transfer to the Secretary of the Interior each fiscal year, beginning with the fiscal year commencing July 1, 1954, from moneys made available to carry out the provisions of section 32 of such act of August 24, 1935, an amount equal to 30 percent of the gross receipts from duties collected under the customs laws on fishery products (including fish, shellfish, mollusks, crustacea, aquatic plants and animals, and any products thereof, including processed and manufactured products), which shall be maintained in a separate fund and used by the Secretary of the Interior (1) to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service and fishery technological, biological, and related research programs, the moneys so transferred to be also available for the purchase or other acquisition, construction, equipment, operation, and maintenance of vessels or other facilities necessary for conducting research as provided for in this section, and (2) to develop and increase markets for fishery products of domestic origin and (3) to conduct any biological, technological, or other research pertaining to American fisheries.

"(b) For the purposes of this section, any agency of the United States, or any corporation wholly owned by the United States, is

authorized to transfer, without reimbursement or transfer of funds, any vessels or equipment excess to its needs required by the Secretary of the Interior for the activities, studies, and research authorized herein.

"(c) In carrying out the purposes and objectives of this section, the Secretary of the Interior is directed as far as practicable to cooperate with other appropriate agencies of the Federal Government, with State or local governmental agencies, private agencies, organizations, or individuals, having jurisdiction over or an interest in fish or fishery commodities and he is authorized to appoint an advisory committee of the American fisheries industry to advise him in the formulation of policy, rules, and regulations pertaining to requests for assistance, and other matters.

"(d) The Secretary of the Interior is further authorized to retransfer any of the funds made available under this section to the Secretary of Agriculture to be used for the purposes specified in section 1 of this act, and only such funds as are thus transferred shall be used for the purposes specified in section 1 of this act with respect to domestically produced fishery products.

"(e) The separate fund created for the use of the Secretary of the Interior under section 2 (a) of this act and the annual accruals thereto shall be available until expended, except that the balance of the fund shall not exceed \$5 million at the end of any fiscal year, and the Secretary of the Interior shall retransfer the funds in excess of said \$5 million balance to the Secretary of Agriculture to be used for the purposes specified in section 32 of the act of 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended."

Mr. ELLENDER. Mr. President, it is not my purpose to discuss the merits or demerits of the bill. But in the early afternoon, after a study of the bill, I suggested to some of its authors, including the distinguished Senator from Pennsylvania [Mr. DUFF], the floor manager of the bill, certain amendments which I propose to offer.

The first amendment is on page 1, line 7, where, after "1954," and before "from", I propose to insert "and ending on June 30, 1957."

The purpose of the amendment is to limit the bill to a period of 3 years.

The second amendment is on page 3, line 12, where, after the word "funds" and before the word "made", I propose to insert "not to exceed \$1,500,000 to be."

The purpose of this amendment is to limit the amount which is to be used to purchase fish and other seafoods. It is in conformity with Public Law 393, which at present gives authority to the Secretary of Agriculture to transfer to the Federal Surplus Commodities Corporation the sum of \$1,500,000, to be used for the purpose of diverting surplus fishery products, and so forth. As the bill now reads, it will be possible for all the funds provided for in the bill to be used for the purposes of section 1, to which I have just referred.

The third amendment is on page 3, line 21, where, after the word "except" and before the word "that", I propose to insert "(1) That not more than \$3 million be spent in any 1 fiscal year, and (2)."

The second proviso would be in the present language of the bill, namely, "that the balance of the fund shall not exceed \$5 million at the end of any fiscal year."

The purpose of this amendment is to limit the amount of expenditure for the purposes of the act to \$3 million.

My fourth amendment is at the end of section 2, on page 4, and reads as follows:

(f) The Secretary of the Interior shall make a report to the appropriate committees of Congress annually on the use of the separate fund created under section 2 of this act.

The PRESIDING OFFICER. Does the Senator from Louisiana request that his amendments be considered en bloc?

Mr. ELLENDER. The amendments have been explained by me and other Members of the Senate. I ask that the amendments offered by me be considered en bloc.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana? The Chair hears none, and the amendments offered by him will be considered en bloc.

Mr. DUFF. I am glad to accept the amendments.

Mr. AIKEN. Mr. President, I am not exactly happy about the bill, even as it will read with the amendments proposed by the Senator from Louisiana. But I wish to say that his amendments make the proposed legislation as a whole much more palatable. I still think appropriations should be made directly, and not by the earmarking of funds. I express the hope that when the amendments are approved and the bill is passed, then at the end of 3 years' time the program will be either found wanting or found valuable. If it is found valuable, it ought to be put on its own feet at that time. If it is found wanting, it should be discarded altogether.

In view of the lateness of the hour, I shall not ask for a yea-and-nay vote on the passage of the bill. The bill will be greatly improved by the amendments offered by the Senator from Louisiana. I am not nearly so strongly opposed to the bill now as I would be if his amendments had not been agreed to.

The PRESIDING OFFICER. The question is on agreeing en bloc to the amendments offered by the Senator from Louisiana [Mr. ELLENDER].

The amendments were agreed to.

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

The bill (S. 2802) was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. STENNIS. Mr. President, as one of the joint authors of the bill, I wish to express my appreciation to the distinguished Senator from Pennsylvania [Mr. DUFF] for handling the bill on the floor, and to other Senators who contributed to the passage of this important measure.

I point out that this is a national program, which has the support of all persons all over the United States, especially, as the Senator from Pennsylvania has said, those concerned with sea-water fishing, inland-water fishing, and Great Lakes fishing. We hope this is a foundation upon which a really extensive research program with respect to

fish and sea life of all kinds, of commercial value, will be conducted.

I agree with the sentiment of the Senator from Vermont [Mr. AIKEN] that 3 years should be a sufficient period of incubation in which to get the program started. At the end of that time we believe the program will be sufficiently strong to stand on its own feet and to demand its own appropriation from the Treasury.

Mr. DUFF. I greatly appreciate the sentiments expressed by the distinguished Senator from Mississippi.

Mr. KENNEDY. I congratulate the distinguished Senator from Pennsylvania. This is a most important piece of legislation. I think that without his efforts and those of the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL], and of the distinguished junior Senator from Mississippi [Mr. STENNIS], the bill would not have passed. I think the bill represents a great step forward for the fishing industry of the United States.

PROHIBITION OF TRANSPORTATION OF FIREWORKS IN CERTAIN CASES

Mr. THYE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1205, House bill 116, to amend title 18, United States Code, so as to prohibit the transportation of fireworks into any State in which the sale or use of such fireworks is prohibited.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 116) to amend title 18, United States Code, so as to prohibit the transportation of fireworks into any State in which the sale or use of such fireworks is prohibited.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary with amendments.

RECESS UNTIL MONDAY

Mr. THYE. Mr. President, I move that the Senate stand in recess until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 59 minutes p. m.) the Senate took a recess until Monday, May 17, 1954, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 14 (legislative day of May 13), 1954:

IN THE NAVY AND IN THE MARINE CORPS

The nominations of Bradford L. Abele and 581 other persons for appointment in the Navy or in the Marine Corps, which were confirmed today, were received by the Senate on May 6, 1954, and may be found in full in the proceedings of the Senate for that date, under the caption "Nominations," beginning with the name of Bradford L. Abele, appearing on page 6127, and ending with the name of Raymond K. Crabtree, which is shown on the same page.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 14 (legislative day of May 13), 1954:

POSTMASTER

NEW MEXICO-TEXAS

Albert W. Mulloy, Anthony, N. Mex.-Tex.

SENATE

MONDAY, MAY 17, 1954

(Legislative day of Thursday, May 13, 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:

God our Father, unchanging amid the changing years: In this still moment before demanding concerns engulf us may a holy hush within our spirits whisper words of courage and fortitude. Upon us all is a somber mood, colored with a sense of bitter loss, as we come with tender remembrance of a revered and honored Member of this body who stood with his colleagues here as the work of last week began, but who now, at the commencement of this, walks with us no more.

We are grateful that Thy servant, Clyde R. Hoey, was an American indeed, in whom was no guile; and that, walking in high places, he kept the common touch. As we cherish the memory of his long career as a public servant we are conscious that in politics, as elsewhere, he practiced his religion. Now that he is gone from this Chamber we are the better because his gentleness made him great, and because he was a saint without being sanctimonious. Daily he wore a red bloom, and always he wore the white flower of a blameless life.

"Tis hard to take the burden up
When such have laid it down;
They brightened all the joy of life,
They softened every frown;
They cannot be where God is not,
On any sea or shore,
Whate'er betides, Thy love abides,
Our God for evermore."

We lift our prayer in the name of the Lord he adored. Amen.

THE JOURNAL

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

MESSAGES FROM THE PRESIDENT

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

LEAVE OF ABSENCE

Mr. BUTLER of Maryland. Mr. President, at 3 o'clock this afternoon, in Baltimore, my good friend and colleague at the Maryland bar, the Honorable Rozel