

SENATE

TUESDAY, MAY 25, 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:

Almighty God, whose breath is our life, who lightest our lamp and feedest the flame thereof: We would bend our rebellious wills to Thine. Bowing at this shrine of Thy grace we pray that Thou wilt so rule our hearts and minds by the indwelling of Thy Holy Spirit that no deceit may mislead us, no temptation corrupt us. Assist us mercifully to look upon Thee for guidance, that from Thy brooding love there may flow into our lives and work the spirit of wisdom and understanding, the spirit of counsel and sustaining strength, the spirit of knowledge and true godliness. Prosper Thou the work of our hands this day and grant that we may serve Thee, in our troubled generation, in the beauty of holiness. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 24, 1954, was dispensed with.

MESSAGE FROM THE PRESIDENT

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H. R. 683. An act for the relief of George P. Symrniotis;

H. R. 2974. An act to extend the time for enrollment of the Indians of California, and for other purposes; and

H. R. 3876. An act for the relief of Martha Schnauffer.

The message also announced that the House had agreed to the amendment of the Senate to the concurrent resolution (H. Con. Res. 197) favoring the granting of the status of permanent residence of certain aliens.

ENROLLED BILLS SIGNED

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

H. R. 1345. An act for the relief of John Lampropoulos;

H. R. 1705. An act authorizing the Secretary of the Interior to issue a patent in fee to Jesse Bell;

H. R. 1769. An act for the relief of Mrs. Oscar F. Brown;

H. R. 1772. An act for the relief of Kenneth R. Kleinman;

H. R. 1815. An act to amend the Recreation Act of June 14, 1926, to include other public purposes and to permit nonprofit organizations to lease public lands for certain purposes;

H. R. 2022. An act for the relief of Don B. Whelan;

H. R. 2433. An act for the relief of the legal guardian of Raymond Gibson, a minor;

H. R. 3041. An act to authorize the Secretary of the Interior to transfer to Frederick W. Lee the right, title, and interest of the United States in and to a certain invention;

H. R. 3109. An act for the relief of Theodore W. Carlson;

H. R. 4532. An act for the relief of Mrs. Ann Elizabeth Caulk;

H. R. 4940. An act to provide for the redemption of District of Columbia tax stamps;

H. R. 4961. An act for the relief of Mrs. James J. O'Rourke;

H. R. 4996. An act for the relief of Col. Henry M. Denning, and others;

H. R. 5772. An act for the relief of Robert E. Leibbrand, and Rose Leibbrand; and

H. R. 7786. An act to honor veterans on the 11th day of November of each year, a day dedicated to world peace.

ENROLLED BILLS SIGNED

The VICE PRESIDENT announced that on today, May 25, 1954, he signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

H. R. 2225. An act to provide for sundry administrative matters affecting the Federal Government, particularly the Army, Navy, Air Force, and State Department, and for other purposes;

H. R. 4231. An act to authorize appointments to the United States Military Academy and United States Naval Academy of sons of certain individuals who were killed in action or who died or shall die as a result of active service in World War I, World War II, or between the period beginning June 27, 1950, and ending on a date proclaimed by the President or the Congress;

H. R. 7308. An act to repeal section 307 of title III of the Federal Civil Defense Act of 1950, as amended; and

H. R. 7541. An act to promote the national defense by including a representative of the Department of Defense as a member of the National Advisory Committee for Aeronautics.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. THYE was excused from attendance on the sessions of the Senate for the remainder of the week and all of next week.

COMMITTEE MEETING DURING SENATE SESSION

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

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following the quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

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

CALL OF THE ROLL

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

The VICE PRESIDENT. The Secretary will call the roll.

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

Aiken	Gillette	Martin
Anderson	Goldwater	Maybank
Barrett	Green	Payne
Beall	Hayden	Smith, N. J.
Bowling	Holland	Sparkman
Burke	Ives	Thye
Butler, Md.	Johnson, Tex.	Wiley
Chavez	Knowland	Williams
Clements	Lehman	Young
Cordon	Mansfield	

Mr. SALTONSTALL. I announce that the Senator from California [Mr. KUCHEL] and the Senator from Oregon [Mr. MORSE] are necessarily absent.

Mr. JOHNSON of Texas. I announce that the Senator from Tennessee [Mr. KEFAUVER] and the Senator from Oklahoma [Mr. MONRONEY] are absent on official business.

The Senator from Nevada [Mr. McCARRAN] and the Senator from Montana [Mr. MURRAY] are absent by leave of the Senate.

The VICE PRESIDENT. A quorum is not present.

Mr. KNOWLAND. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. BENNETT, Mr. BRICKER, Mr. BRIDGES, Mr. BUSH, Mr. BUTLER of Nebraska, Mr. BYRD, Mr. CAPEHART, Mr. CARLSON, Mr. CASE, Mr. COOPER, Mr. DANIEL, Mr. DIRKSEN, Mr. DOUGLAS, Mr. DUFF, Mr. DWORSHAK, Mr. EASTLAND, Mr. ELLENDER, Mr. FERGUSON, Mr. FLANDERS, Mr. FREAR, Mr. FULBRIGHT, Mr. GEORGE, Mr. GORE, Mr. HENDRICKSON, Mr. HENNINGSON, Mr. HICKENLOOPER, Mr. HILL, Mr. HUMPHREY, Mr. HUNT, Mr. JACKSON, Mr. JENNER, Mr. JOHNSON of Colorado, Mr. JOHNSTON of South Carolina, Mr. KENNEDY, Mr. KERR, Mr. KILGORE, Mr. LANGER, Mr. LENNON, Mr. LONG, Mr. MAGNUSON, Mr. MALONE, Mr. MCCARTHY, Mr. McCLELLAN, Mr. MILLIKIN, Mr. MORSE, Mr. MUNDT, Mr. NEELY, Mr. PASTORE, Mr. POTTER, Mr. PURTELL, Mr. ROBERTSON, Mr. RUSSELL, Mr. SALTONSTALL, Mr. SCHOEPEL, Mr. SMATHERS, Mrs. SMITH of Maine, Mr. STENNIS, Mr. SYMINGTON, Mr. UPTON, Mr. WATKINS,

and Mr. WELKER entered the Chamber and answered to their names.

The VICE PRESIDENT. A quorum is present.

EXECUTIVE COMMUNICATIONS, ETC.

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

AMENDMENT OF CAREER COMPENSATION ACT, RELATING TO REENLISTMENT BONUSES

A letter from the Secretary, Department of the Air Force, transmitting a draft of proposed legislation to amend title II of the Career Compensation Act of 1949, as amended, to provide for the computation of reenlistment bonuses for members of the uniformed services (with accompanying papers); to the Committee on Armed Services.

STOCKPILE REPORT

A letter from the Director, Office of Defense Mobilization, Executive Office of the President, transmitting, pursuant to law, the stockpile report, for the period July 1 to December 31, 1953 (with an accompanying report); to the Committee on Armed Services.

REPORT ON OVEROBLIGATION OF AN APPROPRIATION

A letter from the Acting Secretary of the Treasury, reporting, pursuant to law, the overobligation of an apportionment of appropriation by the Bureau of Narcotics during the quarter ended March 31, 1954; to the Committee on Appropriations.

AUDIT REPORT ON FEDERAL DEPOSIT INSURANCE CORPORATION

A letter from the Acting Comptroller General, transmitting, pursuant to law, an audit report on the Federal Deposit Insurance Corporation, for the fiscal year ended June 30, 1953 (with an accompanying report); to the Committee on Government Operations.

REPORT OF FOREIGN-TRADE ZONES BOARD

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the Foreign-Trade Zones Board for the fiscal year ended June 30, 1953, together with the reports covering the operations during the same period of Foreign-Trade Zones Nos. 1, 2, 3, 4, 5, and 6, located, respectively, at New York City, New Orleans, San Francisco, Los Angeles, Seattle, and San Antonio (with accompanying documents); to the Committee on Finance.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. CARLSON and Mr. JOHNSTON of South Carolina members of the committee on the part of the Senate.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

A telegram in the nature of a petition from Alice Stuart, and sundry other citizens of Alaska, praying for another referendum on statehood for Alaska; ordered to lie on the table.

A telegram from Archbishop Vitaly, president of the Diocesan Congress, New York, N. Y., sending greetings of the general congress of the North American and Canadian diocese of the Russian Orthodox Greek Catholic Church to the Congress; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

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

S. 2366. A bill for the relief of Ito Yukiko; without amendment (Rept. No. 1427).

By Mr. CARLSON, from the Committee on Post Office and Civil Service:

H. R. 7371. A bill to provide for the disposal of paid postal-savings certificates; with amendments (Rept. No. 1428).

BILLS INTRODUCED

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

By Mr. WATKINS:

S. 3509. A bill to establish public use of the national forests as a policy of Congress, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. CORDON:

S. 3510. A bill to provide for cooperation in financing and prosecuting early development of the John Day project on the Columbia River, Oreg., and Wash., for navigation, irrigation, flood control, and power production; to the Committee on Public Works.

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

By Mr. MARTIN:

S. 3511. A bill to provide for the construction of a project for flood-control protection at Lewistown, Pa.; to the Committee on Public Works.

By Mr. MAGNUSON (for himself and Mr. JACKSON):

S. 3512. A bill to authorize the modification of the existing project for Tacoma Harbor in the State of Washington in order to provide for the extension and improvement of the port industrial waterway; to the Committee on Public Works.

By Mr. GILLETTE:

S. 3513. A bill for the relief of Robert D. Anderson; to the Committee on the Judiciary.

By Mr. WATKINS:

S. 3514. A bill for the relief of Mrs. Oveida Mohrke and her son, Gerard Mohrke; to the Committee on the Judiciary.

By Mr. SALTONSTALL:

S. 3515. A bill for the relief of John B. Gibbons, Jr.; to the Committee on the Judiciary.

By Mr. LANGER:

S. 3516. A bill to provide increases in the monthly rates of compensation and pension payable to certain veterans and their dependents; to the Committee on Finance.

S. 3517. A bill to amend section 144 of title 28 of the United States Code; to the Committee on the Judiciary.

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

DEVELOPMENT OF JOHN DAY PROJECT, COLUMBIA RIVER, OREG. AND WASH.

Mr. CORDON. Mr. President, I introduce for appropriate reference a bill to provide for cooperation in financing

and prosecuting early development of the John Day project on the Columbia River, Oreg. and Wash., for navigation, irrigation, flood control, and power production. I ask unanimous consent that the bill together with an explanatory statement of the bill, and other material referring thereto, be printed in the RECORD.

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

The bill (S. 3510) to provide for cooperation in financing and prosecuting early development of the John Day project on the Columbia River, Oreg. and Wash., for navigation, irrigation, flood control, and power production, was referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., that the authorization of the John Day project on the Columbia River, Oreg., and Wash., under the provisions of the Flood Control Act of 1950 (64 Stat. 170, 179), substantially in accordance with the plans recommended in the report of the Chief of Engineers dated June 28, 1949, contained in House Document No. 531, 81st Congress, 2d session, is hereby modified in order to provide for the construction, maintenance, and operation of such project in accordance with the provisions of this act under the direction of the Secretary of the Army and supervision of the Chief of Engineers, with a normal pool at elevation not to exceed 265 feet above mean sea level, at an estimated cost of \$320 million.

SEC. 2. It is hereby declared to be the policy of Congress that construction of the John Day project for navigation, irrigation, flood control, and power production should be expedited with the cooperation and assistance of local interests and local funds to aid in financing the construction of the John Day project and by entering into contracts with such local interests in the manner hereinafter provided for the sale of the power from the John Day project, or an equivalent amount of power.

SEC. 3. The Secretary of the Army is hereby authorized and directed to enter into a contract with local interests providing for (a) the contribution of funds by such interests in the amount of \$164 million in aid of the construction of the John Day project, (b) the construction, maintenance, and operation under the supervision of the Chief of Engineers of the John Day project as herein authorized, and (c) the scheduling of the payment and application of the contributed funds and of Federal funds for maintaining an economical rate of construction of such project. When the contracts with local interests as provided by sections 3 and 4 of this act have been entered into, the Secretary of the Army is authorized and directed to enter into such other contracts as he deems necessary or convenient for the construction of the John Day project.

SEC. 4. In consideration of the payment of the funds contributed by local interests in accordance with the schedule provided in the contract with the Secretary of the Army, the Secretary of the Interior is hereby authorized and directed to make with such local interests a contract for the sale of the power and energy from the John Day project or for an equivalent amount of power and energy and for the delivery of such power and energy to load centers for a period of 50 years, which contracts shall obligate such local interests to purchase such power and energy at

a rate per kilowatt hour which will (a) repay to the United States in 50 years from the date of the completion of the project that portion of the cost of the John Day project allocated to power by the Corps of Engineers in collaboration with Federal Power Commission, less the funds contributed by local interests, with interest thereon at not to exceed 2½ percent per annum on the diminished balance; (b) pay the cost of operation and maintenance of and normal replacements to the power facilities and to the portion of the John Day project allocated to power for such 50-year period; (c) pay the costs of transmission of such power over Federal transmission facilities to mutually agreeable points of delivery at load centers, and (d) pay a fair and reasonable charge for power benefits to the John Day project for upstream storage projects after giving a credit for the downstream power benefits from the John Day project. Such contract shall specify (a) the procedure and formula for the cost allocation as predetermined by the Corps of Engineers in collaboration with the Federal Power Commission, and (b) the net charge for power benefits as determined by the Federal Power Commission, and shall provide for periodic determinations and adjustments by the Commission of such net charge for power benefits to the John Day project.

Sec. 5. Local interests as herein used shall mean States or agencies thereof, people's utility districts, public utility districts, municipalities operating electric distribution systems, rural electric cooperatives, private electric utility companies and industries or any agency, organization or corporation organized or created for the purpose of acting on behalf of all or any part of the same which desire to participate in and which assists in providing the funds to be contributed to the Secretary of the Army in aid of the construction of the John Day project. The power from the John Day project or equivalent power shall be sold to local interests substantially in proportion to their financial contribution after giving consideration to the characteristics of power purchased. In order to insure a more equitable distribution of power from Federal projects within the Columbia Basin, the State of Oregon or any agency thereof, rural electric cooperatives, municipalities operating electric systems, people's utility districts and private electric utility companies operating electric systems in Oregon and industries desiring to purchase power for use in Oregon shall be given priority in the purchase of said power.

Sec. 6. In the event that contracts with local interests as provided by sections 3 and 4 of this act are not entered into within 1 year after the date of enactment of this act or upon the completion of the engineering planning of the John Day project as determined by the Chief of Engineers, whichever is the later, the John Day project may be constructed by the Department of the Army upon the appropriation of funds therefor without regard to the provisions of this act relating to participation by local interests.

The statements and attachments presented by Mr. CORDON are as follows:

STATEMENT CONCERNING THE JOHN DAY DAM PARTNERSHIP BILL

POWER PROBLEM IN THE NORTHWEST

Despite the tremendous program for the development of the hydroelectric power resources in the Northwest, our electric power needs are rapidly outrunning the supply. We need between 500,000 and 600,000 kilowatts of new power capacity each year in the Northwest if we are to avoid a power shortage. In other words, we need to add another Bonneville Dam each year to our

system. There is enough additional generating capacity now under construction to meet minimum needs until 1960 or 1961. After that, we face a power shortage unless there is not one but many new starts in the Northwest. The problem of providing this additional power-generating capacity is one that will require the combined efforts of all of us. The Federal Government and the local distributors—both public and private—at the present time are making or have plans for sizable additions to their respective systems. However, these efforts will not be sufficient to meet the problem. In addition, we will also need the combined efforts of the Federal Government and of our local interests working together in the form of a partnership to get the job done.

PEOPLE APPRECIATE FEDERAL PROGRAM

On occasions like this I sometimes feel that we from the Northwest leave the impression that we are so busy asking Congress for new starts that we forget to express our appreciation for what has been done in the past. Congress, with a few minor exceptions, has been most generous in providing us with sufficient funds so that at the present time the great McNary Dam is nearing completion, the Chief Joseph Dam is approximately one-half completed, and we have commenced the construction of The Dalles Dam. As I have already explained, these dams, together with the installations by the local interests, will meet our needs until 1960. The time is here, however, when we must get under way the plans for additional dams that will be completed after 1960, for in the case of our large multipurpose dams it often takes 7 or 8 years to build the dam.

ANOTHER PARTNERSHIP PROGRAM

Within the last several months I have introduced two bills that would authorize and set up partnership programs. One provides for the construction of the Cougar Dam and the other for the construction of the Green Peter Dam. Both of these projects are vitally needed in Oregon as part of our Willamette Valley flood-control program. They are also sorely needed to furnish us with additional hydroelectric power. Their combined output of power, however, will be less than 150,000 kilowatts. Against a prospective annual deficiency of more than 500,000 kilowatts, you can readily appreciate that these dams alone will not answer our problem. We need additional new starts.

PHYSICAL FACTS ABOUT DAM

The bill which I am introducing today is different in several respects from the partnership bills which I have previously introduced. In the first place, it involves a large multipurpose dam on the Columbia River—the John Day Dam. This dam will have a generating capacity in excess of 1,100,000 kilowatts. In addition, it will provide a pool of navigable slack water approximately 75 miles long and will make slack water navigation from the mouth of the Columbia River to Pasco, Wash., a distance of 328 miles, a reality. It will provide almost a half million acre-feet of storage. This will make a substantial contribution toward the control of floodwaters in the Columbia River. The head or the difference in the elevation between the tailwaters and the headwaters will be approximately 107 feet. The project will consist of a dam, a spillway, a powerplant for generating hydroelectric energy, a navigation lock, and fish ladders for anadromous fish.

The dam takes its name from the John Day River, which flows northwesterly through Oregon to the Columbia River. The dam will be some 217 miles upstream from the mouth of the Columbia River and approximately 25 miles upstream from the Dalles Dam and 75 miles downstream from the McNary Dam.

The powerplant initially would have 13 generators installed, each with a rated ca-

capacity of 85,000 kilowatts. The plans contemplate space for a future installation of 4 to 5 more generators of comparable size to take advantage of future upstream regulation. The total installed capacity of the John Day powerhouse will therefore be 1,105,000 kilowatts, with an average firm power capability of approximately 865,000 kilowatts and with a firm power capability under the most adverse water conditions of some 570,000 kilowatts.

So, let me emphasize again that this bill is different from the other partnership bills which I have sponsored in that it applies the partnership program to one of our large multipurpose projects.

COST OF DAM

The bill is also different in another respect. The estimated total cost of the John Day Dam is \$320 million. The local interests propose to contribute \$164 million or more than half of the cost of the dam to the Federal Government. We are therefore dealing with much larger sums of money—hundreds of millions of dollars—than we were in the other cases.

HOW MONEY RAISED

With the bill providing that the local interests contribute \$164 million and that the Federal Government assume the responsibility to pay the remainder of the cost of the dam, one of the first questions that occurs is how this division of financial responsibility was arrived at. The answer is this: We started with the proposition that a partnership in the ordinary sense of the word meant approximately equal contributions by the partners. It was next determined that the probable limit of financing by the local interests was in the neighborhood of \$165 million. The figure of \$164 million was then chosen because it represented the cost of the power facilities of the dam. As will be seen from an examination of the bill, however, this figure was not chosen with any idea that the local interests' participation would be limited to the cost of the power production facilities, for in this case, the Government will own and operate the entire dam, including the power facilities.

The first step under the bill is for the local interests to show that they have \$164 million and to agree to contribute this to the United States toward the cost of the dam.

If the partnership is to work, it is necessary for the Government to be in position to give these people a firm commitment that it will build the dam after they have their \$164 million available. This means that we have to have something more than mere congressional authorization to build the dam. It is necessary to have either an outright appropriation of approximately \$156 million or that the Government be authorized to bind itself by contract to build the dam. This latter we call a contract authorization.

At my suggestion the bill was drawn to include an express contract authorization to the Army engineers to build the dam so that when the Government has a firm assurance that the local interests will contribute their share, then the Government can enter into a contract with them to build the dam.

In the past contract authorization has been used primarily for wartime procurement. In this case, however, we felt fully justified in making use of the contract authorization technique as a means of carrying out this administration's program for partnership development of public resources. New approaches to problems oftentimes require new tools, and here it must be recognized that without such an authorization there can be no partnership. It would be impossible for local interests to contribute a large sum of money if their partner was under no legal obligation to do his part of the job.

HOW THE DAM IS BUILT

The John Day Dam is one of the major integral units in the overall plan for the comprehensive development of the Columbia River. It has been previously approved by Congress—House Document 531, 81st Congress, 2d session. The other major dams on the Columbia River—the Bonneville Dam, the Dalles Dam, the McNary Dam, the Chief Joseph Dam, and the Grand Coulee Dam—have all been built and are owned and operated by the Federal Government. They were planned for operation as a unit. It seemed imperative to us that this concept be continued. For that reason this bill provides that the dam will be constructed by the Corps of Engineers. This will insure development and completion of the integrated river development program as planned by the Corps of Engineers.

HOW DAM IS OWNED AND OPERATED

The same facts that compelled the conclusion that the John Day Dam should be built by the Government also led us to the conclusion that the Government should also own and operate the John Day Dam. The bill expressly provides this. It was our feeling that single ownership and single operation of the major dams on the Columbia River would insure the maximum in efficiency and benefits.

HISTORICAL BASIS OF PARTNERSHIPS

It might be well to explain at this juncture the historical basis and legislative precedent for this partnership program and for the term local interests. For many years so-called local interests which have ranged all the way from a single individual to groups consisting of a large assortment of individuals and corporations, both public and private, have made contributions to the Army engineers to aid in the construction of the flood control and navigation improvement projects. In the majority cases the contribution was in the form of rights-of-way or land. However, in many instances the contribution was in the form of money. A partnership between local groups and the Federal Government to build a public project is not new.

Likewise, the term local interests has been used in our laws dealing with rivers and harbors improvements to designate any local group that assists in paying the cost of a public improvement. In this bill, we have simply expanded these ideas to cover a much larger program. Here the local interests will contribute more than half of the total cost, and they in turn will be reimbursed for this contribution in the form of electricity.

THE WAY POWER IS SOLD

The Secretary of Interior is directed in the bill to enter into contracts with the local interests for the sale of power from the John Day Dam for a period of 50 years. This power is to be sold in proportion to the amount of the contribution by the local interests. To make sure that there is no mistake about the way this bill would operate, let me explain two things. In the first place, it is impossible to control the flow of electricity so that when we say that we are selling to the local interests the power from the John Day Dam we mean an amount of power equal to that produced by the John Day Dam. The bill contains such a qualification. Furthermore, when we speak of selling the power in proportion to the amount of contribution, that likewise must be qualified by taking into consideration the characteristics of power sold. In other words, firm power is worth more than intermittent or seasonal power. One kilowatt of firm power may be worth several kilowatts of intermittent power, and this difference has to be taken into consideration in the sale of power.

In addition to the initial contribution of \$164 million the local interests must agree to purchase the power at a rate per kilowatt

hour which will permit the Government to repay the money it has invested in the dam over a 50-year period. When I speak of the Government's investment I mean the portion of the Government's investment that is allocated to power. This is the standard procedure that has been followed by the Government. In addition, the rate will include the cost of operation and maintenance of the dam and the powerhouse, and the charges for upstream benefits from other dams. So that at the end of 50 years the Government has a debt-free dam, and during this 50-year period the Government not only has owned but it has operated the dam as a part of the integrated Columbia River development program.

TRANSMISSION OF POWER

The bill also proposes a new approach to the problem of the transmission of the power from John Day Dam. The Federal Government now owns and operates a region-wide high voltage transmission system. This bill provides that the Government's system will be used to distribute the power from the John Day Dam.

The bill insures that the integrity of the Federal grid will be maintained and will prevent needless duplication of the Government's facilities.

WHO ARE THE PARTNERS

To the best of my knowledge this bill spells out for the first time in such legislation a straightforward effort on the part of local public and private power groups to join forces and to pool resources in order to put together the local interest part of a partnership program. All of the power distributing agencies in the Northwest, as well as industry, are permitted under the terms of this bill to become partners. This includes State agencies, cities, PUD's, REA co-ops, and private power companies. With one exception, the problem of who will be the partners and the amount each will contribute must be worked out voluntarily in the region. There is no Federal control from the top.

The one exception is a provision that in the sale of power, electric power distributors operating electric systems in Oregon and industries proposing to purchase power for use in Oregon will be given priority in the purchase of power. This is a relatively new concept in the Northwest and was included to cure in part an inequity that has developed in the distribution of power in the Northwest.

Briefly, the facts are these. Considering Washington and Oregon as a unit, approximately 60 percent of the population lives in Washington and 40 percent in Oregon. At the present time, the firm power from the Federal system is distributed on the basis of approximately 70 percent in Washington and 30 percent in Oregon. During the next 12 years, under existing power contracts this inequity will become worse. At that time Washington will receive 83 percent of the power from the Federal system and Oregon approximately 17 percent. Or to state the problem another way, in 1965 Oregon will receive less power from the Federal system than in 1954, despite the fact that more than 3 million kilowatts of capacity and 1,600,000 kilowatts of prime power will be added during this time from dams now under construction. In my opinion, the eventual solution to this problem and the only way to do equity, will be by an allocation of power between the States. In the meantime, however, to assist Oregon in obtaining its fair share of the power, we have provided in the bill that if there are more potential partners than power, then the Oregon partners will have the first choice in the sale of power.

Another compelling reason for this priority is the situation that has developed in connection with the sale of power by the Fed-

eral Government to industry. At the present time, the firm power contracts which the Bonneville Power Administration has with industries divides the power approximately 75 percent to Washington and 25 percent to Oregon. On the basis of plant investment and direct jobs resulting from this power, the proportion is near 85 percent to Washington and 15 percent to Oregon. It is obvious that a situation has arisen where one area has received more than its fair share of industrial power. This is contrary to the whole basis and justification for Government development of natural resources, for this development has been predicated upon equal opportunity for areas as well as persons. At the present time we have the making of a geographical monopoly. It is time that steps be taken to reverse this trend. The priority which the bill gives to Oregon distributors and industry will do this.

HEIGHT OF THE DAM

The John Day Dam that is authorized for construction in this bill should not be confused with the high dam which was originally authorized in the Flood Control Act of 1950. That dam would have been 292 feet high and would have had 2 million feet of storage. That plan was strongly opposed by a number of local interests because it would have flooded out several towns and many acres of fertile land. This bill specifically limits the height of the dam to 265 feet. This is the so-called low dam with an extra 10 feet added to insure maximum operating efficiency and to provide flood-control benefits. It is still a low dam, however, in the sense that it will not flood out the towns along the Columbia River.

ONE-YEAR LIMITATION

The bill contains a provision which limits the time within which the local interest can arrange a partnership program to 1 year or the completion of the planning by the Army engineers, whichever is later. We did this for several reasons. In the first place, it was our feeling that the local interests would know in that time whether they would be able to form an effective partnership. In the second place it will take the Army engineers at least a year to complete their investigations and plans for the John Day Dam. The limitation will insure that no time will be lost in the construction of John Day Dam if this law is enacted and if for any reason a partnership program cannot be promptly worked out.

HOW THE BILL ORIGINATED

The origin of this bill indicates what can be accomplished by a partnership approach if the prospective partners are willing to sit down and endeavor to work out a constructive program.

In the Northwest we have had cooperation between public power and private power on an operating level since 1942 when the Northwest power pool was first organized. This power pool includes all of the public and private distributors in the Northwest and also the Bonneville Power Administration. Today by interconnection of the systems and by coordinating all of the generating capacity in the area more than 600,000 kilowatts of capacity has been added to the region's power resources.

The Portland General Electric Co. of Portland, Oreg., evolved the idea that a similar working arrangement could be worked out to make a partnership program a reality. It first discussed the matter with other power companies and with representatives from REA co-ops, PUD's, and municipal electric systems in Oregon. Out of these discussions, the company evolved many of the ideas that are incorporated in this bill. In each instance, the public-power representatives recognized that Oregon needs more power to maintain a healthy economic growth. With this as a starting point, each of the groups has indicated that they were willing to make

a sincere effort to work out a practical and constructive partnership program. I have attached to this statement copies of the letters which I have received from representatives of these groups. In addition, the managers of several of the municipal systems have already indicated that they not only favor the idea but in all likelihood will be active partners in the program.

NEW FINANCIAL PROBLEMS ENCOUNTERED

This bill plows new ground. The basic conceptions back of this bill are novel in the partnership sense and present a number of new problems in financing. In this case, the partners will have as a basic security for their financing their contracts for power with the firm obligation of the several partners to purchase this power over a period of 50 years. In effect, the basic security is two sets of contracts, plus the needs of the several partners for power. Conventionally, such financing is done with the security of a mortgage upon the power generating facilities and this would entail ownership of part of the dam by the local interests. However, inasmuch as the partners have a need for the power and there is therefore an immediate market for the output of the project the day it is completed, it seems to us that our Yankee ingenuity should be able to evolve new concepts of private financing that are based upon the contracts rather than ownership of physical property.

It is my feeling that the approach is sound. We often say that "The Lord helps those who help themselves." It seems to me that the wisdom of that saying may well apply to the Northwest and its power problems. If we can demonstrate to the rest of the Nation that the Northwest, on a cooperative basis, is willing to help itself, I am sure that we can continue to get full cooperation on a Federal level.

OREGON PEOPLE'S UTILITY DISTRICT DIRECTORS ASSOCIATION,

Portland, Ore., March 26, 1954.

Senator GUY CORDON,

Senate Office Building,

Washington, D. C.

DEAR SIR: We have been advised that you have expressed an interest in receiving comments from public power groups in Oregon concerning the proposal of Portland General Electric Co. for the construction of John Day Dam on a cooperative basis. At our meeting on March 26, 1954, which was attended by 4 of the 5 members of the executive committee and which included a representative from each of the operating people's utility districts in the State of Oregon, the proposal was discussed at length. We also examined several drafts of legislation that have been prepared. The conclusions which we reached at this meeting were as follows:

1. There is an urgent need for a new start on the Columbia River at a location which is close to the electrical load centers of western Oregon if industrial growth in Oregon is to continue. Industrial opportunity and growth in the Northwest follows power. If Oregon is to participate in this growth, it must be assured of its fair share of the power generated in the Columbia River and its tributaries.

2. It may be that the people's utility districts will want to participate directly in the cooperative program for the development of John Day Dam by entering into firm contracts for the purchase of power from the dam. This, of course, will depend upon the cost of power to the participating agencies. It will be to the advantage of all concerned to keep the cost of power from the project as low as possible to insure that it is competitive with power from the other Federal dams.

3. The cooperative program should provide for Government construction of the dam and for Government ownership and operation of the dam and of the power-generating

facilities. This will remove the objection we have to programs which contemplate a divided ownership of dams.

4. The program should provide that the power from the John Day Dam should be distributed over the Federal transmission network. This insures participating in the program by all Oregon power distributors irrespective of size or geographical location.

We would like to recommend for your consideration a draft of proposed legislation which incorporates the foregoing points and which we feel offers a basis for cooperative action.

The Oregon People's Utility District Directors Association acts as an advisory and coordinating agency to the operating people's utility districts. When legislation is introduced, we will be glad to submit it to our respective districts, together with our observations and recommendations.

Sincerely,

C. F. STRANAHAN,
President.

MARCH 27, 1954.

Senator GUY CORDON,

Senate Office Building,

Washington, D. C.

MY DEAR SENATOR CORDON: The undersigned are managers of four rural electric cooperatives in the State of Oregon. We have discussed among ourselves and with representatives of Portland General Electric Co. its proposal for the construction of John Day Dam on a cooperative basis. Because of the limitations in time we have not been able to discuss this matter with either the executive committee of our State association or with the memberships of our individual cooperatives. The opinions that we express are, therefore, our individual opinions. We do feel, however, that on the basis of our acquaintanceship and our knowledge with REA cooperatives in Oregon, and with the members of those cooperatives, that our personal views will closely approximate their views.

This letter is being sent to you pursuant to a suggestion that you were interested in receiving at an early date the views of the various types of power distributors. We have examined several drafts of proposed legislation for a cooperative development of John Day Dam. We believe, however, that our views can best be expressed without reference to specific legislation and in terms of propositions which we feel form the basis for the cooperative effort. They are as follows:

1. We feel that the REA cooperatives in Oregon would be willing to participate in an exploratory effort to determine whether a cooperative basis can be developed for the construction of John Day Dam.

2. Our primary interest is the welfare of Oregon. We feel that public, private, and cooperative power distributors all have a stake in the economic development and welfare of the State. Additional large blocks of low-cost power that are available for use in Oregon are necessary if Oregon is to keep pace with the industrial growth that is under way in the Northwest. In the past, Oregon has not been as aggressive as its sister States in this regard. We feel very strongly that any program which would make this objective its primary objective would have an excellent chance of receiving the support of all the groups in Oregon that are concerned.

3. It is our opinion that any cooperative program that is undertaken should be based upon the proposition that the Federal Government construct, own, and operate the dam and its power facilities, and that to the maximum extent possible that the Federal transmission system should be used as the means of distributing this power. Such an approach would be in harmony with the thinking of a great majority of our members who believe in the comprehensive river de-

velopment program of the main stems of the Columbia and Snake Rivers by the Federal Government.

4. If the cost of power from John Day Dam is competitive with power from the Federal system, then our group would be interested in participating directly in the program by entering into contracts for the purchase of power from John Day Dam. In this connection, we tentatively have in mind asking the REA to make additional loans to us to permit us to enter into a contract for the prepaid purchase of power.

5. Without doing violence to the concept of regional power development we also believe that some provision should be made which will insure that Oregon distributors and Oregon industries will have a priority in the purchase of power from John Day Dam.

It, of course, is difficult to give you more than general observations without specific legislation before us. We are enclosing the draft of a bill which comes as near incorporating our ideas as any that we have examined.

At the earliest opportunity we will discuss this matter with our State organization, and if legislation is introduced you can rest assured that it will be given serious consideration by each of the 17 cooperatives in the State of Oregon who serve approximately 33,000 customers. We also feel that if the propositions which we have outlined above can be used as the guideposts in formulating this program, that there is a strong likelihood that it will receive the enthusiastic support of the rural electric cooperative in Oregon.

Sincerely,

GLEN SAWYER,
Manager, Lane County Electric Cooperative.

BEN LITTLE,
Manager, Benton-Lincoln Electric Cooperative.

GUY THOMAS,
Manager, West Oregon Electric Cooperative.

ERIC JOHNSON,
Manager, Wasco Electric Cooperative.

[From the Oregon Grange Bulletin of April 5, 1954]

THE STATE MASTER'S COMMENTS (By Elmer McClure)

JOHN DAY DAM PROPOSAL

The Grange grew and developed into a nationwide force for the betterment of this country because of its ability and willingness to explore all facets of any problem facing the people of this country. The Grange will remain such a force only so long as it retains and increases its capacity for unprejudiced analysis of new ideas and new proposals in every field of human endeavor.

In this light, the Oregon State Grange is now exploring all of the new partnership proposals for the development of the hydroelectric resources of the Northwest. It is, of course, our privilege to reject any or all of them after we have given them thorough study.

The most recent proposal to come out of the partnership idea for the development of the water power resources of this section of our country is the one advanced by Portland General Electric Co. and certain public power agencies to secure the immediate construction by the Federal Government of the John Day Dam on the main stem of the Columbia River.

Spurred perhaps by the fact that the State of Washington is proposing to corral all of the power generated in that State for distribution within its own boundaries, these Oregon agencies propose that (1) all participating agencies, both public and private pledge the value of their assets to form a pool of money—some \$164 million—to be loaned to

the Federal Government for a period of 50 years. This money, together with the share to be put up by the Federal Government, would be used to build the dam.

These participating agencies would then recover their money in the form of power during the next 50 years; (2) the Federal Government would retain title and control of the generating and distribution system; (3) the participating agencies would have the prior right to most or all of the power generated by the John Day Dam.

This is to be a voluntary partnership and no public or private power company need join this group. If any company feels that it is sufficient to carry on its affairs without access to this additional power, it is no way involved. The plan, is, at this time, in a very nebulous stage and the details have yet to be worked out.

This proposal differs from any that we have heard of in the past in that it comes close to the historic position of the Grange on this question. It appears to have more breadth and opportunity for the public power groups than any of the other proposals, providing as it does for the inclusion of the REA's, PUD's, and municipally owned plants as full partners. Under this plan, no agency buys any portion of the power generated for a period of 50 years. The ownership of the property is 100 percent in the hands of the Federal Government—and the power will be sold over the Federal distribution lines. This operation will be in harmony with the historic concept of Federal regional development of natural resources.

Experts are agreed that there will be a serious power shortage in the Northwest beginning about 1960 unless more dams are authorized, built, and put into production prior to that time. It also goes without saying that under present conditions the State of Washington is going to be able to gobble up the lion's share of the power generated at dams within that State, leaving Oregon starved for power, thus putting her in a very poor position to attract any new industries, or to further expand her economy.

I recommend a complete study of this proposal. It may be the answer we are seeking to the problem of getting the John Day and other dams built and working.

OREGON RURAL ELECTRIC
COOPERATIVE ASSOCIATION,
Corvallis, Ore., April 13, 1954.

The Honorable GUY CORDON,
United States Senator, Senate Office
Building, Washington, D. C.

MY DEAR SENATOR CORDON: The board of directors of the Oregon Rural Electric Cooperative Association, at its meeting in Corvallis on April 9, 1954, has examined the proposal of the Portland General Electric Co. under which Oregon power companies, jointly with public and cooperatively owned utilities in Oregon, would assist in financing construction of the John Day project through prepayment for that project's power output.

Although this association has a number of serious reservations about the company's proposal, we are mindful of the fact that there is an acute shortage of power supply now developing within the region. It is for this reason that we are willing to give some cooperative, continued study to the proposal, at least until such time as it becomes apparent to us that it cannot be developed in such a way as to meet fully the public interest.

In any further consideration that you or others may give the company's John Day proposal, we respectfully suggest that effort be made to meet the following standards of public interest:

1. The proposal should be developed in such a way as to encourage cooperation between the Northwest States. Specifically, we suggest public-owned utilities along the north bank of the Columbia River, which

would be logical consumers for John Day power, be permitted to participate with the companies and Oregon public agencies in the financing plan and the purchase of power.

2. That the passage of legislation necessary to effectuate the company's proposal be accompanied by a clear and unequivocal statement by the national administration that it will match the John Day project with at least one other major multipurpose Federal project on the Columbia River system within the near future and within a definite specified time. It is this association's belief that the John Day project, standing alone, is only a partial and altogether insufficient answer to the basic problem of power shortage which confronts this region. Taken by itself, the John Day project, as proposed by the company, would be of some benefit, to be sure; but its value would be short lived unless additional projects are undertaken. These projects should be Federal projects and should fully protect the status of the public and cooperatively owned utilities in the region. Such projects would be in line with Secretary of the Interior Douglas McKay's recent policy statement to the effect that the Federal Government expects to continue construction of major multipurpose projects.

3. Any development of a single project of the sort proposed by Portland General Electric Co. should maintain the integrity of the Federal transmission grid and should be planned in such a way that it will fit efficiently into the operation of the integrated Columbia River power system.

The above three points constitute major criteria considered by this association at its meeting on April 9, 1954. There are, of course, a number of other major criteria and problems in connection with a project as proposed by the company.

The association believes that it cannot endorse the proposal until these matters are clearly explored; however, we are willing to reserve judgment for a reasonable period of time.

Very truly yours,

B. R. LITTLE,
Secretary-Treasurer
(For Lee Wooden, President).

CENTRAL LINCOLN
PEOPLES' UTILITY DISTRICT,
Newport, Ore., April 30, 1954.

The Honorable GUY CORDON,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CORDON: The Portland General Electric Co.'s concept of development of the John Day Dam on a cooperative basis has much merit and should be given fullest consideration. The idea presented by the company, we believe, has advantages over other partnership plans recently proposed in the Northwest.

It is imperative that new starts be made of power projects on the Columbia and legislation of the type proposed by the Oregon Peoples' Utility District Directors Association, we believe, may be the avenue by which a new start may be made.

The directors of the Central Lincoln PUD would appreciate your most serious consideration of the Portland General Electric Co.'s plan for cooperative development of the John Day project on the Columbia.

Very truly yours,

MILLARD MARTIN,
President.

[From the Oregon Journal of March 30, 1954]

JOHN DAY PLAN WORTH A TRY

Latest and most imaginative power-partnership offer so far made to Uncle Sam by public and private power agencies of the Pacific Northwest is that involving the John Day Dam.

This offer, involving construction of a \$320 million, million-kilowatt project at the John Day site between the Dalles and McNary Dams, is unique.

First, it would involve both private companies and local public-power agencies such as PUD's, REA's, and municipal power systems.

To this extent, it differs from previous partnership proposals which involve either private companies alone, or PUD's alone, or a municipal system alone.

The John Day project also is unique in its proposed methods of financing. Private companies and public agencies would finance outright the power factors, that is, the powerhouse and generators estimated to cost \$168 million. But Uncle Sam would be asked to advance \$120 million for joint facilities; that is, the main spillway dam and related features which are of common benefit to power, navigation, flood control, etc. This money would be repaid to the Government, however, over a 50-year period.

All the Government would be "out" in the end would be the \$36 million it would put into navigation locks and fishways.

The local "partner" thus would be paying for its power in advance. Uncle Sam, the "senior partner," would be prepaying the cost of the dam. Both would get their money back out of power revenues.

Uncle Sam would build and operate the plant. He would retain title to the property. And at the end of 50 years the whole project would be Uncle Sam's free and clear.

This is quite a deal.

Naturally, there are many unresolved problems, such things as financing, payments in lieu of taxes, power rates, and proper credits for upstream and downstream benefits. But it would appear that none of the problems is insoluble.

On the other hand, if all the prospective partners (including, of course, the administration and the Congress) approach the proposal with good will and an open mind, it could become a reality. It could safeguard the Columbia Basin against a power shortage that otherwise will have very damaging impact upon the economy of the entire region by 1960, when all current projects are completed.

The region, in submitting several "partnership" proposals, has demonstrated its willingness to cooperate, its confidence, and good faith.

The "senior partner," we submit, can do no less.

[From the Oregonian, Portland, Ore., of March 30, 1954]

THE PREPAID POWER PLAN

The prepaid power partnership plan for construction of John Day Dam outlined by Thomas W. Delzell, chairman of the board of Portland General Electric Co., merits careful consideration of State of Oregon residents. It is a sincere and timely proposal for getting a big block of Columbia River power for Oregon consumers while the getting is good. That is, before the Washington State power authority gobbles it all up.

What final form the proposal will take, or whether it will be feasible in any form, remains to be determined as the study proceeds. The immediate plan is this: Portland General Electric and other privately owned utilities would be joined by some public power agencies—rural electrification cooperatives and public utility districts—in raising about \$164 million of the estimated \$320 million cost of the dam. This would be turned over to the Army engineers to start construction. Congress would be expected to put in about \$36 million in nonreimbursable funds for navigation and fishways. Congress also would be asked to appropriate \$120 million which would be repaid over a 50-year period from power revenues.

The participating agencies would be repaid their \$164 million investment in kilowatt hours, and their claims to power would be based on their financial contributions. The local utilities would be advancing money to stimulate Congress to appropriate additional money and put an end to the "no new starts" policy.

We are not at all sure that Congress, which is delaying completion dates of Federal dams now in construction on the Columbia, will be willing to appropriate any money for new Northwest construction. But the John Day proposal may be more attractive to the congressional opponents of Northwest power, flood control and navigation projects than the all-Federal Libby Dam in Montana, which also should be started soon.

Portland General Electric Co. is the largest utility customer of the Federal power system. It has been blocked by State law from building new dams on the Deschutes River. Although Portland General Electric and other private utilities have signed 20-year contracts with the Bonneville Power Administration, the Federal law giving preference to public power districts and municipalities works in combination with the refusal of Congress to start new dams to make it probable that these contracts will be worthless in the 1960's. All the Federal power, or most of it, will be needed then by the public agencies.

Hence, it is incumbent upon Portland General Electric and advisable for other private companies to obtain power generation commitments for the 1960's. The John Day Dam would have a rated capacity of 1,105,000 kilowatts. It is the only site remaining on the Oregon-Washington portion of the Columbia. Above it lie several sites—Priest Rapids, Wells, Rocky Reach—exclusively in the State of Washington. Public utilities districts and municipalities are combining under the Washington Power Act in the expectation of building these in partnership with the Federal Government, and thereby establishing priority in claim for their output when needed.

If some plan is not evolved to assure Oregon utilities a new source of energy after 1960, Oregon will be left not only with higher power rates, but without enough electricity to serve new industries and more people.

On this basis, there is adequate justification for the initiative shown by Portland General Electric. We agree with Senator CORDON that it would be far better for a regional public agency to build and operate all these dams and to sell the output on a fair allocation basis to public and private distributors alike. But Oregon utilities cannot be expected to wait for the Northwest to get together on a regional agency.

As we have said before on this page, we would like to see a firm reservation made in the development of such partnership projects. That is a "recapture clause" which would permit the transfer of new multiple purpose dams to a regional public agency when the latter comes into being, as we believe it inevitably will. The Northwest is going through a period of change in which the Federal Government is withdrawing. But the Northwest cannot afford to lose permanently the regional concept of producing the power at the most advantageous sites and distributing it fairly without concern for State lines.

AMENDMENT OF TITLE 28, UNITED STATES CODE, RELATING TO AFFIDAVITS OF PREJUDICE

Mr. LANGER. Mr. President, I introduce for appropriate reference a bill to amend section 144 of title 28 of the United States Code, relating to the exercise of discretion by a judge in connection with an affidavit of prejudice. I ask

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

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

The bill (S. 3517) to amend section 144 of title 28 of the United States Code, introduced by Mr. LANGER, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 144 of title 28 of the United States Code is amended so as to read:

"Whenever a party to any proceeding in a district court makes and files a timely affidavit that the judge before whom the matter is pending has a personal bias or prejudice either against him or in favor of any adverse party, such judge shall proceed no further therein, and shall have no further jurisdiction with respect thereto, but another judge shall be assigned to hear such proceeding.

"The affidavit shall state the facts and the reasons for the belief that bias or prejudice exists, and shall be filed not less than 10 days before the beginning of the term at which the proceeding is to be heard, or good cause shall be shown for failure to file it within such time. Any second or subsequent such affidavit filed in any such case shall be ineffective unless it states facts sufficient to establish prima facie that bias or prejudice exists. Any affidavit filed under this section shall be accompanied by a certificate of counsel of record stating that it is made in good faith. As used in this section, the term 'party' includes any one of two or more joint plaintiffs or joint defendants."

The statement presented by Mr. LANGER is as follows:

STATEMENT BY SENATOR LANGER

The bill seeks to make it abundantly clear that no discretion is to be exercised by a judge in connection with an affidavit of prejudice, but that the judge against whom such an affidavit is filed must immediately step aside.

The proposed new wording of section 144 eliminates the provision for a sufficient affidavit, and thus eliminates any possibility that a judge against whom such an affidavit is filed may rule that it is not sufficient, and on this basis refuse to step down.

The language of the section as it now stands is believed to be jurisdictional, but in order to make this point perfectly clear, the amended language carries a separate clause denying jurisdiction to a judge against whom an affidavit of prejudice is presented.

In order to make it clear that in the case of several codefendants, any one defendant or any group of defendants, acting in concert, may file an affidavit of prejudice and secure the assignment of a new judge, the proposed revised language specifically defines the term "party" as including any one of two or more joint plaintiffs or joint defendants. By reason of this definition, the possibility is opened up that in the case of a number of joint defendants, they might make individual affidavits of prejudice, one after another, and thus exhaust the list of available Federal judges. To avoid this consequence, the proposed new language of the section specifically provides that any second or subsequent affidavit of prejudice shall be ineffective unless it states facts sufficient to establish a prima facie case that bias or prejudice exists.

REVISION OF INTERNAL REVENUE LAWS—AMENDMENT

Mr. LANGER submitted an amendment, intended to be proposed by him, to the bill (H. R. 8300) to revise the internal-revenue laws of the United States, which was referred to the Committee on Finance and ordered to be printed.

ATTORNEYS' LIENS IN CERTAIN PROCEEDINGS—AMENDMENT

Mr. HENDRICKSON (for himself, Mr. COOPER, and Mr. McCARRAN) submitted an amendment in the nature of a substitute, intended to be proposed by them, jointly, to the bill (S. 42) to provide for attorneys' liens in proceedings before the courts or other departments and agencies of the United States, which was ordered to lie on the table and to be printed.

HOUSE CONCURRENT RESOLUTIONS REFERRED

The following concurrent resolutions were referred to the Committee on Rules and Administration:

H. Con. Res. 209. Concurrent resolution authorizing the printing of additional copies of parts 1 and 2 of the hearings held by the Committee on Government Operations during the 83d Congress, 1st session, relative to commercial- and industrial-type activities in the Federal Government;

H. Con. Res. 210. Concurrent resolution providing for 35,000 additional copies of the report entitled "Organized Communism in the United States";

H. Con. Res. 213. Concurrent resolution authorizing the printing of additional copies of the hearings held by the Committee on Interstate and Foreign Commerce relative to health problems;

H. Con. Res. 230. Concurrent resolution providing for 30,000 additional copies of the report entitled "Eighth Session of the General Assembly of the United Nations"; and

H. Con. Res. 234. Concurrent resolution to print as a House document the proceedings in the rotunda at the dedication of the frieze.

EXECUTIVE MESSAGE REFERRED

As in executive session, The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Armed Services.

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

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, The following favorable reports of nominations were submitted:

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

A. Sherman Christenson, of Utah, to be United States district judge for the district of Utah, to fill a new position.

By Mr. CARLSON, from the Committee on Post Office and Civil Service:

One hundred and one postmasters.

HEARING BEFORE SENATE WATER TRANSPORTATION SUBCOMMITTEE RELATING TO SHIP CONSTRUCTION

Mr. BUTLER of Maryland. Mr. President, Senators are advised herewith that the Senate Water Transportation Subcommittee will conduct its second hearing tomorrow, Wednesday, afternoon looking toward the development of an emergency ship construction and ship repair program to save the shipyards of the country from impending nationwide shutdown.

Officials of the Navy Department and the Department of Commerce, who have, at our request, been studying the possibilities of the situation in the light of existing conditions in the shipyards, will testify at Wednesday's hearing, which will be held in room G-16 of the Capitol, at 2 p. m.

Top officials of seven leading shipyards presented a gloomy picture of the situation to the subcommittee on Wednesday of last week.

On the facts developed at these hearings, the subcommittee expects to formulate a program for taking from the Government's laid-up reserve merchant fleet a number of vessels that would be "broken out" first, for use in any emergency and for putting them in the shipyards for repair now, instead of when the emergency is on. This will serve the double purpose of readying the reserve fleet for instant service, and of keeping the shipyards in operation and preserving their working forces.

MEMBERSHIP TO COMMISSION ON INTERGOVERNMENTAL RELATIONS

THE PRESIDING OFFICER (Mrs. BOWRING in the chair). The Chair announces the appointment by the Vice President of the Senator from North Carolina [Mr. LENNON] to membership on the Commission on Intergovernmental Relations, vice the late Senator Clyde R. Hoey.

ADDITIONAL ASSESSMENT FOR WORLD HEALTH ORGANIZATION

Mr. GOLDWATER. Mr. President, normally I would ask unanimous consent that the editorial which I hold in my hand be printed in the RECORD. However, it is of such importance that I ask to be permitted to take not more than 2 minutes to read the editorial.

THE PRESIDING OFFICER. Without objection the Senator from Arizona may proceed.

Mr. GOLDWATER. The article published in the Wall Street Journal of May 25, reads:

THE QUESTION OF WHO

The World Health Organization has raised a knotty little question for the antagonists over the Bricker amendment to debate at the next session of Congress.

It seems that the WHO is in need of more money. So at its international assembly in Geneva the other day it voted to assess the United States Government an additional

\$350,000 over and above the amount Congress has authorized for the international agency. The United States delegation, headed by the assistant to Secretary Oveta Hobby, voted against this assessment but we were outvoted by the delegates from the other nations who were not concerned about United States constitutional questions.

As Government spending goes these days \$350,000 is a tiny amount, to be sure, but it is intriguing to think that one of these supranational agencies can just appropriate money right out of our till without so much as a by-your-leave. Yet that is exactly the position taken by the WHO.

And the Health Organization has a pretty strong legal argument. The United States ratified the WHO constitution in the proper treaty-making fashion back in 1948 and a careful reading of that approved constitution does indeed seem to suggest that the Health Organization has the power to assess member nations. If so, where does that leave Congress' power of the purse?

The United States Constitution specifies that appropriation bills must originate in the House of Representatives and be passed by both the House and Senate. But treaties are ratified by the Senate only. Does the ratification by the Senate of an agreement to let an international organization fix its own budget by assessment take money matters out of the hands of the House?

Geneva dispatches say that the United States delegation will try to persuade Congress to provide the additional \$350,000 anyway so as not to raise a fuss over the constitutional issue. But it strikes us that the members of the House Appropriations Committee might like some better answers to the question raised by WHO.

THE INTERNATIONAL CRISIS

Mr. SMITH of New Jersey. Mr. President, on May 15, 1954, Mr. John Cowles, president of the Harvard Alumni Association, delivered a very interesting address at the annual meeting of the Associated Harvard Clubs held in Rochester, N. Y.

I feel that Mr. Cowles' comprehensive address on the subject of The International Crisis and What We Should Do About It, deserves the careful study of all of us. While I can commend it highly I find myself in disagreement with some of Mr. Cowles' premises. He has fallen into the error of believing that Secretary Dulles was handcuffed by senatorial leaders before going to Geneva. These handcuffs, according to Mr. Cowles, consist of senatorial doubt of the wisdom of recognizing Red China or admitting it to the U. N. so long as it is dominated by Soviet Russia, and of senatorial insistence that prior congressional approval be given before President Eisenhower could commit American military forces in Indochina. Strange handcuffs, these, since Secretary Dulles has no desire whatsoever presently to negotiate concerning the recognition or admission of Red China, and since President Eisenhower has flatly declared he would seek congressional approval before committing American troops.

But, on the positive side, I commend Mr. Cowles' speech to all thoughtful Americans, and especially to Members of Congress. The president of the Harvard Alumni Association advances some interesting ideas concerning the possibility of securing a greater degree of co-

operation from Mr. Nehru and a more identifiable community of interest with the important nation of India. Additionally, Mr. Cowles urges a more complete exploitation of the mechanisms and forum offered by the United Nations. Quite correctly he points out the advantages which accrued to the free world in Korea by reason of the complete confidence of the Korean people that the Western nations were not in the least motivated by hated notions of imperialism.

Mr. President, on another occasion I intend to address the Senate at greater length concerning our foreign policy problems in the Far East. In the meantime, however, I hope that as many Senators as possible will find time to study Mr. Cowles' speech.

TENSIONS WITHIN THE SOVIET CAPTIVE COUNTRIES

Mr. WILEY. Mr. President, I rise to call the attention of the Senate to the publication of Tensions Within the Soviet Captive Countries—Soviet Zone of Germany.

This is the third of a series of studies of the Soviet captive countries which is being published as Senate Document 70 by the Foreign Relations Committee. The earlier parts dealt with Bulgaria and Rumania. Subsequent parts will deal with tensions in Czechoslovakia, Poland, Hungary, and Albania. The studies are being prepared by the Library of Congress and the staff members of the Legislative Reference Service.

In my judgment, Mr. President, the study of tensions within the Soviet Zone of Germany is particularly noteworthy, because as the study makes clear, this is a captive country of a special kind—a country of special difficulties for the Russians and special challenges and opportunities for the West.

It is the captive country which is most difficult for the Russians to seal off from the free world. Despite all the efforts of the Soviets, traffic—in people, and perhaps more important, in truthful news and ideas—continues between the Soviet Zone, the democratic island of West Berlin, and the Federal Republic of Germany. The urge for unity with their free countrymen to the west is the source for some of the most powerful tensions within the Soviet Zone.

The phony declaration by the Soviet Government that this captive zone is a sovereign nation will fool nobody on either side of the zonal boundary.

The people on both sides of the boundary want Germany united, so that, under a democratic government, it can take its rightful place in a new Europe—a Europe which is itself drawing ever closer together. A reading of the study reinforces my conviction that a policy of encouraging European integration is the proper course for us to follow.

Mr. President, the courageous resistance of the Germans of the Soviet Zone—as demonstrated in the spectacular riots of last June 17 and in other less dramatic ways—is one of the most thrilling stories of the cold war.

It is an inspiration to all freedom-loving people, both those who are free and those who have temporarily been deprived of their freedom by the new colonial imperialism of Moscow.

No one has watched the sufferings of the people of the Soviet Zone of Germany with greater sympathy and anxiety than the millions of Americans of German descent. Many of these people are themselves the refugees—or the descendants of refugees—from an earlier tyranny. Like so many other millions, they came to America seeking freedom and opportunity. Over the years, they have made an enormous, incalculable contribution to the development of the United States. I have seen their magnificent achievements particularly in my own State of Wisconsin.

This fact, Mr. President, gives all Americans a special interest in the future of Germany.

Nowhere could the contrast between freedom and slavery be more sharply pointed up than in Germany. Western Germany has made truly astounding progress in recovering from the ravages and devastation of the war. This progress is manifest both economically and in the development of the democratic institutions of government which were so tragically lacking in prewar Germany.

West Germany's progress is due in part, of course, to the benign influence and assistance of the United States, the United Kingdom, and France. It is also due in part to the inspired leadership of Dr. Konrad Adenauer, one of the truly great Germans and Europeans of this generation. But it is due even more to the climate of freedom which has prevailed in West Germany since the war and in which the native industriousness and talents of the German people can find their full outlet.

The remarkable progress of West Germany makes the plight of the Germans in the Soviet Zone all the more tragic and pitiable. The Federal Republic of Germany stands as a constant reminder to the people of the Soviet Zone of what life could be like were it not for the stubborn inhumanity of communism.

We must never forget—or write off—these courageous people in the Soviet Zone.

I am confident that the world will yet see a free, united, democratic Germany.

Mr. President, this is an important report on an extremely important subject. While it is too long to be printed in the CONGRESSIONAL RECORD, I ask unanimous consent that my foreword to the report be inserted in the RECORD at this point in my remarks.

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

FOREWORD

June 17, 1954, marks the first anniversary of the historic demonstrations against the Soviet occupation in East Berlin and the Soviet Zone of Germany.

It is fitting that, as this occasion approaches, we analyze the situation which prevails in the Soviet Zone, noting there the continuing struggle of courageous men and women against their oppressors.

This is the third in a series of studies being published as Senate Document 70 by the Senate Foreign Relations Committee on Ten-

sions Within the Soviet Captive Countries. Earlier parts dealt with tensions within Bulgaria and Rumania.

In many respects, the facts presented in this study are the most challenging that have come to light in regard to the Soviet captive countries. For the Soviet Zone of Germany, as the study demonstrates, is a captive country of a special kind. Since the Soviet Zone borders on the free world and surrounds West Berlin, it has become, to a limited extent, a two-way mirror between the free world and the slave world.

Through it, we can look to some degree into the slave world, while the captive peoples can, to a limited extent, maintain contact with the free world, for, despite all Communist efforts, constant traffic and communication continue across the boundary.

What transpires on the eastern side of the frontier is of deep interest to us for many reasons.

First, we are interested because, from our own inception as a nation, we have had close ties with the German people with only occasional interruptions.

Through more than a century and a half, Americans of German extraction have played impressive roles in every phase of American life. In many States of the Union, notably, in my own State, they have constructively imprinted their character, their culture, their talents, as worthy assets on the American scene.

Second, we of the West are interested in a free Germany because communism has long been fanatically dedicated to a Communist Germany.

The leaders of communism have, repeatedly, stated their judgment that a Communist Germany is the key to a Communist Europe and a Communist world.

Vladimir Lenin, in a report of October 22, 1918, wrote:

"The principal link in the chain of revolution is the German link and the success of the world revolution depends more on Germany than upon any other country."

Lenin feared that unless communism was successful in Germany, it might not survive in Russia. In his book *War and Peace* (1918) may be found this admonition:

"It is the absolute truth that without a German revolution we are doomed—perhaps not in Petrograd, not in Moscow, but in Vladivostok, in more remote places to which perhaps we shall have to retreat, and the distance to which is greater than the distance from Petrograd to Moscow. At all events, under all conceivable vicissitudes, if the German revolution does not come, we are doomed."

Even after January 1933, the Nazis' ascent to power did not deter the Communists from their hope for an eventual Communist Germany. Soviet writers have often expressed this view.

Third, today, Germany—because of its strategic position, and its great industrial strength—is even more of a prize than formerly; indeed, it is as much of a prize to communism as any other country in Western Europe.

A united Communist Germany would be one of the fondest wishes of the Kremlin. It will welcome, however, at the minimum a neutralized Germany. Toward that end, the Soviets dangle a carrot and brandish a stick. In return for a helpless, unarmed Germany, the Communists offer the carrot of the joining of the zones—an objective which the people in both zones would ordinarily earnestly desire.

Realism, however, impels the German people to recognize that a neutralized Germany which could not enjoy genuinely free elections and which could not play its role in the community of free nations would sooner or later be an enslaved Germany and that it would serve merely as a pawn leading toward a Communist-controlled world.

In view of this, Western Germany has registered at the polls its decisive support of the enlightened statesmanship of Dr. Konrad Adenauer. The continued efforts of Dr. Adenauer for the establishment of the European Defense Community, including a mutually acceptable resolution of the Saar question, are an inspiration to all Germans.

Meanwhile, West Germany's remarkable economic comeback and the vitality of its free political institutions continue to amaze the world. Indeed, the very existence and prosperity of Western Germany provide the backbone of the discontent within the Soviet Zone. Western Germany proves how even an amputated nation can arise from the rubble of war to a position of freedom with a respected status in the family of nations.

Western Germans remain moreover the devoted friends of their brothers and sisters in the Soviet Zone. It is small wonder that the enraged Soviets direct gangsterlike kidnappings in a futile attempt to eliminate the valiant leadership within West Berlin.

Fourth, another reason for our interest is that the Soviet Zone has become a laboratory of the glaring, internal contradictions of communism. With its economic stagnation, its barbed-wire justice, its sovietized education and culture, the zone stands in stark contrast to communism's lofty slogans.

The Soviets have been prone to prate about alleged contradictions of capitalism. It has turned out, however, that it is communism which is riddled with contradictions.

On the one hand, it must maintain all of the despotic machinery of the police state in order to hold down the restless population. On the other hand, by its acts of terror, it estranges the West Germans to whom it tries to appeal.

On the one hand, it tries to allay the rising hatred of the people in the Soviet Zone against the austerity and the denial of freedom, by occasionally lightening some of the load. On the other hand, every time the Soviets are forced to make some concessions, they prove their own intrinsic weakness, and the tensions mount against them.

On the one hand, the Communists try to fulfill Marxist dogma by attacks against religion. On the other hand, the stalwart resistance of the churches gives the Communists concern over their unsuccessful efforts at repression and over the effects which these efforts have in the West.

A great many other internal Communist contradictions abound.

A fifth reason for our interest was demonstrated by the German people themselves in the memorable riots of June 17, 1953. The spectacle of unarmed men hurling stones against tanks, of men and women attacking Communist facilities while German Communist paramilitary formations were kept on the sidelines as unreliable is a picture which can never be forgotten.

June 17 was a milestone in man's age-old struggle for freedom. The demonstrations of that unforgettable day and of the days which followed—the sabotage, the slowdowns, the other acts of defiance—occurred close to the free world's border and people everywhere could note them. These demonstrations were, however, but symbols of the intense feelings of other captive peoples in areas more distant from the free world.

Even the dramatic riots, however, do not alone tell the resistance story. The rising statistics of the flight of refugees seeking freedom in the West speak volumes.

These refugees are people from all walks of life. There are workers who have suffered the wretchedness of the "worker's paradise," with its skyrocketing prices, threadbare merchandise, and ridiculous work norms.

There are farmers who have given up the unequal struggle with the all-powerful state and who have walked off their land, leaving behind all their possessions except the

clothes on their backs. Even more significant, perhaps, there are thousands of members of the Communist police force—persons who presumably have been subjected to at least some process of selectivity by the Communists.

Thus, all the terror, the torture, the firing squads directed by the fake "sovereign state" of the Soviet puppets—the Walter Ulbrichts, the Otto Grotewohls, the Wilhelm Piecks, cannot forever repress the human spirit. The Soviet terror machine can succeed neither against those who take their lives into their hands in attempting to flee, nor against those who patiently bear their unhappy role, biding their time for that day when they will be free.

These Germans in the Soviet Zone are not forgotten and will not be forsaken by the West, any more than the other captive peoples will be forgotten or forsaken.

It is with a hope of contributing to increased understanding of their lot that this study is issued. I trust it will bring more light to the Congress and to the general public of this vital area of American foreign policy.

This study was prepared by Harry J. Krould, of the Library of Congress, with the assistance of Charles R. Gellner, of the Legislative Reference Service, on whom falls the responsibility for content. To them, and to Sergius Yakobson, senior specialist in Russian affairs of the Legislative Reference Service, who has general direction of the series, I express my deep appreciation. The committee staff took care of the necessary editing and saw the manuscript through the press.

ALEXANDER WILEY.

MAY 24, 1954.

"UNLEASHING" OF CHIANG KAI-SHEK

Mr. CLEMENTS. Mr. President, it has been 15 months since Chiang Kai-shek was "unleashed." There were many who had reservations about the "unleashing" at the time it was announced in February of 1953. Since that time, there has been no evidence that this move by the present administration has had any of the promised effects.

The Communists on the mainland have apparently found little to fear from an "unleashed" Nationalist force. They have turned their back on Chiang Kai-shek and are now moving steadily ahead in Indochina.

Chiang is now asking the United States to give additional protection to his forces. Rather than moving outward in Asia, it appears he is fearful of holding the area he already occupies.

It is my view that we should give careful consideration to any new action we take in regard to Chiang Kai-shek. We need more detailed information and greater consultation before we move too far in this area.

In line with my views, Mr. President, I ask unanimous consent, to have printed in the RECORD at this point an editorial from the Louisville Courier-Journal of May 24, for I believe it contains opinions which must be included in our considerations.

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

REMEMBER WHEN WE "UNLEASHED" CHIANG?

The news that Chiang Kai-shek is asking the United States to extend its protection of

Formosa to small Nationalist-held islands closer to the Chinese mainland is an ironic footnote to the hullabaloo of yesteryear.

It was early in 1953 that the Eisenhower administration, overawed by its own campaign slogans and the glittering promises of the psychological warfare experts, shook itself and the world by "unleashing Chiang." Our Seventh Fleet, since 1950 ordered to protect Formosa from Communist attack but to allow no attack on Communist China to be mounted there, was ordered to cease "neutralizing" Formosa.

This was deception with a vengeance. Few Americans, and apparently few foreigners, realized that the Seventh Fleet had never been ordered to prevent Chiang's forces on the smaller islands nearer China from attacking the mainland—as they had been doing, in a piddling way, ever since 1949. What was held up as a bright hope to some, an alarming threat to others, was the glorious picture of Chiang Kai-shek, "unleashed" at last and strengthened with possibly all-out American aid and involvement, storming victoriously into the heart of Communist China. The deceptiveness of this hope was accompanied by our failure to consult our European allies in advance, but only to "notify" them. Democrats in Congress got the same treatment, implying for the first time but accurately the torpedoing of bipartisanship in foreign affairs.

What did all this gain us? Well, in March of last year, Chiang bravely announced that "the moment of our counterattack is drawing nearer and nearer." But except for continuing small-time raids, mostly from the tiny islands which had mounted them before, nothing happened. The impotent Chiang sits on Formosa still, as unmoving as before he was "unleashed"—and now eager to have the United States extend its naval and air protection to the Pescadores, the island of Quemoy, and the Tachens, attacks from which are rumored to have needled the Communists into planning counterattack and invasion.

From Formosa the Associated Press reports that "non-Chinese opinion here inclines to the view that it is extremely unlikely that the United States will openly commit itself to defense of the offshore bases," because "such a commitment would substantially increase the possibility of a direct clash between the United States and Red China"—just what most Americans and most of our allies feared when the "unleashing" was first announced.

Non-Chinese opinion in Washington, we suspect, will agree overwhelmingly with that on Formosa. We are still committed to defend Formosa itself, as in Truman's day. But if we are to go to war on the Asiatic mainland, as the Communists in the Kremlin would like to have us do, it will not be to salvage Chiang's islands just off the Chinese mainland. It will be to resolve the issues in Korea and in Indochina, if at all.

NATIONAL MARITIME DAY

Mr. BUTLER of Maryland. Mr. President, National Maritime Day, 1954, has come and gone. At port cities throughout the Nation gatherings sponsored by the Propeller Club of the United States have listened to and engaged in discussions concerning the problems facing the American merchant marine and shipbuilding industry.

The distinguished majority leader [Mr. KNOWLAND] was the speaker at the Maritime Day dinner here at the Mayflower sponsored by the Propeller Club, Port of Washington, D. C. It was my privilege to discharge the same function

at the Maritime Day luncheon in Baltimore on Friday noon, as well as at the Maritime Day dinner in New Orleans on Saturday evening.

The Propeller Club of the United States is performing an invaluable service to the Nation in thus focusing national attention upon the maritime industry and its importance in peacetime and as a staunch supporting arm of the Military Establishment in time of war or other emergency.

Most disturbing in this connection, however, and deserving of sincere and thoughtful consideration, is an editorial from the magazine, Marine News, for May, entitled "Lip Service." It is very brief but very much to the point. It reads as follows:

On National Maritime Day, May 22, the Nation will pay tribute to the American merchant marine.

If the past is any criterion, at ports throughout the country and abroad our citizens will meet, be admonished on the necessity of maintaining an adequate merchant fleet—and then go blithely on their way, unmindful for another year of their own dependence on American shipping.

And again, if the past is any criterion, many in Government that day will give recognition to the American merchant marine, using well-rounded, moving phrases to point up the needs of today, the perils of tomorrow—and, returned to Washington, will have forgotten en route the very truths they have uttered.

Let's be honest. Let's face the facts. On May 22, 1954, the Nation will pay lip service to the American merchant marine, and on May 23 will proceed once more to forget its existence.

Forget, that is, until the next Korea.

Cynical, yes. But all too true. Let us earnestly hope, though, that the lessons of the past with regard to the merchant marine will not be forgotten this time. For there may be another Korea.

INFORMATION CONCERNING FEDERAL HOUSING ADMINISTRATION OPERATIONS

Mr. BYRD. Mr. President, there are numerous constituent agencies and programs under the broad jurisdiction of the Housing and Home Finance Agency, headed by Mr. Albert M. Cole as Administrator. The Federal Housing Administration is one of these constituent agencies. Under FHA there are a dozen programs through which housing loans are insured. Most of these programs involve insurance of loans for housing construction.

As chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, which has been investigating activities under the FHA for more than a year, I previously have directed to Mr. Cole letters asking for basic information in connection with FHA's operations. Some of these letters have been general in nature applying to numerous FHA programs and others have been specific requesting information pertinent to each of the programs, such as the cost of the projects and the amount of loans insured, the extent to which FHA exercised its rights as a stockholder in each case, and so forth.

Mr. Cole has complied with these requests in some instances, but, with respect to the amount of the loans as compared with the cost of the projects, he has advised that he cannot furnish the information from FHA records which are immediately available.

In connection with this correspondence I ask unanimous consent to have printed in the body of the RECORD a letter I have received from Mr. Cole under the date of May 17, 1954, a tabular summary of attachments to that letter, a reply to Mr. Cole dated May 21, 1954, and an additional statement by me relative to information supplied in the letter from Mr. Cole.

There being no objection, the letters, tabular summary of attachments, and the additional statement were ordered to be printed in the RECORD, as follows:

HOUSING AND HOME FINANCE AGENCY,
OFFICE OF THE ADMINISTRATOR,
Washington, D. C., May 17, 1954.
HON. HARRY F. BYRD,
United States Senate,
Washington, D. C.

DEAR SENATOR BYRD: We have received the following 14 letters from you requesting certain information: 2 letters dated April 21, 1954; 1 letter dated April 28, 1954; 6 letters dated April 29, 1954; 4 letters dated April 30, 1954; 1 letter dated May 3, 1954.

On May 4, 1954, we replied in detail to one of your letters of April 21, 1954.

The available information in response to your second letter of April 21, 1954, has been assembled and is being forwarded under separate cover because of its voluminous nature. This material has been identified as attachments 1 through 15 and the data contained therein are summarized below and related to the questions in your letter.

Request No. 1: A list of all properties for which FHA has guaranteed loans which are now in any degree of default, their location, and the amount outstanding.

To furnish this information it would be necessary to examine all defaulted case binders (approximately 11,000) in the 75 field offices, and even then, it would be difficult to estimate the outstanding mortgage amount without visiting each mortgagee and examining its books, because of the time lag in reporting month-to-month defaults.

Included in the material being forwarded under separate cover is a report, identified as attachment 15, for the quarter ended December 31, 1953, on defaults, acquisitions, sales, and acquired property inventory which is based on information furnished by FHA field offices.

Request No. 2: A brief description of all programs under HHFA supervision, to include (a) citation to the law for each, (b) copies of all pertinent general policy rules, regulations, and directives for each, and (c) standards and limitations under which loans are guaranteed, and other services are rendered.

To expedite the gathering and assembling of the requested information and material, we have relied primarily on material already available in published form or otherwise. Fortunately, a considerable body of current material on the HHFA programs is available, having been prepared quite recently.

The material forwarded under separate cover includes the following data which relate to this request:

Attachment 1 includes a summary compilation of the functions and programs of the Agency, prepared about a year ago, which provides still-current descriptions of each program; a chart showing the legal citations for each program; and volume II of the Office of the Administrator's Manual series, covering the general Agency policies and procedures of the Administrator.

Attachment 2 covers 12 programs under the Office of the Administrator (other than FNMA), provides recent descriptive material on each program, copies of pertinent laws, Executive orders and delegations of authority, and policies and procedures included in the OA Manual, regional representative letters, and various memoranda.

Attachment 3 covers the Federal National Mortgage Association, provides title III of the National Housing Act and certain related laws, material on the background and history of the organization, the guide for servicing mortgages and policies and procedures on the purchase, sale, and servicing of mortgages.

Attachment 4 provides Home Loan Bank Board descriptive material on its three current programs, rules and regulations, and the laws under which operations are conducted.

Attachment 5 provides a Federal Housing Administration compilation of the National Housing Act and the considerable number of amendments to that act, rules and regulations for the 14 titles and sections under which programs have been or are being conducted, and handbooks covering mortgages, minimum property requirements, underwriting, and field operations.

Attachment 6 provides the Public Housing Administration's current program material, and manuals covering program policies and procedures.

Request No. 3. In addition to the rental information requested in my letter earlier today, please supply citation to the law under which FHA participates in the determination of rental rates on properties financed with funds guaranteed under FHA, copies of pertinent rules, regulations, instructions and directives, and a statement as to whether FHA loan properties were excluded from application of the rent control law when it was in force.

The authorities, rules and regulations for the several sections are:

	<i>Attachment number</i>
Sec. 207, sec. 207 (b) (2): Administrative rules, sec. IV D (1) --- Corporate charter, arts. 8th (c) and 10th (a) (1) -----	7 13
Sec. 213, sec. 213 (a) (2) [207 (b) (1) and (2)]: Administrative rules, sec. IV (4) (d) -- Corporate charter, arts. 8th (c) and 10th (a) (1) -----	8 14
Sec. 608, sec. 608 (b) (1): Administrative rules, sec. IV 4 (a) --- Corporate charter, arts. 3d (a) and 10th (a) (1) -----	9 13
Title VIII, sec. 803 (b) (1): Administrative rules, sec. V 4 (a) and (b) ----- Corporate charter, arts. 3d (a) and 10th (a) (1) -----	10 13
Sec. 908, sec. 908 (b) (1): Administrative rules, sec. IV 4 (a) and (b) ----- Corporate charter, arts. 3d (a) and 10th (a) (1) -----	11 13
Sec. 903, sec. 903 (a) (2): Administra- tive rules, sec. IV 5 -----	12

The Administration did defer the matter of rent controls to the rent-control agencies while those controls were in effect.

Your letters of April 28, 29, and 30 request information with respect to the following sections of the National Housing Act; Section 908, title IX; section 603, title VI; section 608, title VI; section 8, title I; section 903, title IX; section 207, title II; section 803, title VIII; section 213, title II; section 609, title VI; section 610, title VI; and section 611, title VI. These letters enumerate the following items:

1. The extent to which loans are insured or guaranteed.
2. The names and addresses of persons or corporations making applications for insured or guaranteed loans, indicating those accepted and rejected, the amount of the loan in

each case, and the rate of interest applicable to each approved loan.

3. The amount at which the FHA estimated or appraised the value of the property and its actual cost.

4. Projects (identified) in default, indicating length of time.

5. Projects foreclosed (identified), indicating amount involved and disposition made or contemplated.

6. Projects (identified) in which FHA was a stockholder, indicating the extent to which it exercised its rights as a stockholder.

In addition to the foregoing six requests, the section 603, title VI; the section 903, title IX; and the section 213, title II, letters, supra, contain the following additional request:

The number of applicants for whom loans have been insured or guaranteed permitting construction at maximum cost.

In an endeavor to furnish you with as much information as could be assembled at this time in respect to these specific requests, my staff has compiled, and there is attached to this letter, as exhibits A through K, résumés of the operations of FHA under each section of the National Housing Act concerning which you inquired, describing the insurance terms, including the scope of such terms in dollar amounts and maximum loan ratios, the volume of such insurance, the total number of claims paid and dollar amounts of such claims, and the current default situation. These attachments describe the current insurance programs authorized under the respective sections of the National Housing Act. No attempt is made to catalog all of the amendments to any of these sections since the inception of the program.

In addition to the foregoing, I have also obtained information for you with respect to your inquiries in one of the April 30 letters dealing with loans insured or guaranteed by the Federal Housing Administration for home-repair improvements under title I. In this connection you requested the following information:

1. The manner and extent to which lending institutions are insured against losses resulting from loans so that, "where reasonable credit judgment is exercised and the institution makes a fair volume of loans, the insurance coverage afforded is virtually 100-percent guarantee against loss" as stated on page 4, National Housing Act Regulations, title I.

Under title I, section 2, of the National Housing Act the insurance granted by the Commissioner to any approved financial institution is limited to 10 percent of the loans, advances of credit, and purchases made by such financial institutions for financing authorized property improvements. Within this limitation, individual loans are fully insured up to the net proceeds of the loans outstanding. Thus, it is true that an institution is afforded virtually 100-percent guarantee against loss if it uses reasonable credit judgment and makes a fair volume of loans. During the life of the program the number of institutions which have not experienced virtually 100-percent protection is relatively small.

Under title I, loans to finance property improvement may be insured by FHA up to an aggregate amount of \$1,750,000,000 in net proceeds outstanding at any one time. Through March 31, 1954, a total of 16,887,755 loans with net proceeds of \$7,601,141,120 had been insured by FHA under title I, section 2. It is estimated that the amount outstanding as of March 31, 1954, is \$1,484,693,107. As of February 28, 1954, a total of 482,178 claims on defaulted notes in an amount of \$151,924,118 had been filed under the title I program.

2. Estimated total of applications indicating the estimated number accepted and the estimated number rejected.

The total applications accepted is in the figures given above on total loans insured. However, information is not available on applications received or rejected. The reason for this is that title I loans are made by approved lending institutions without a prior review by the Federal Housing Administration. Lenders do not submit records on individual loans to the FHA unless a claim is filed.

3. An estimate of the number of loans granted in excess of the actual cost of repair or improvements involved and an estimate of the amount in excess.

For the reasons cited in connection with item No. 2, it is impossible to answer this question. Because of the decentralized nature of the title I operation, FHA has no record of individual loan transactions except when claims were filed. Even if the individual loans files were available, it is doubtful if they would shed light on the question of overcharging. No appraisal of the value of the improvements is made by the lending institutions at the time the loan is originated.

4. An estimate of the number of loans, and the amount involved, for repairs and improvements on homes for which FHA previously had insured (a) construction loans, (b) purchase loans, and (c) both construction and purchase loans.

While, under present procedures, the borrower is required to supply this information to the lender on the credit application, it is not available to FHA. It could only be secured by a review of the files of all qualified title I lending institutions.

I regret that the remainder of the information which you have requested in the above identified letters is beyond the capacity of this Agency to obtain and assemble within a reasonable time without seriously impeding our operations. As you are aware, I now have an investigation under way which includes within its scope all FHA operations, including the programs mentioned in your letters. We have carefully planned a method of approach to this investigation which is designed to achieve maximum results. We are utilizing to the utmost all the help we can obtain to carry these plans into effect. To divert personnel assigned to the investigation in order to obtain all of the material requested would, I am sure, result in completely disrupting our investigative schedule.

It is my sincere conviction that to seriously impede our investigative schedule is not in the public interest. I trust you will, therefore, appreciate my position. We will, of course, extend every assistance by way of making the files of the FHA or this Agency available to your investigators to assist them in compiling the information, and I have issued instructions to the personnel in this office and in all the constituent agencies to make records and files under their jurisdiction available to your staff representatives.

In addition to your requests for specific information of FHA activities under different sections of the National Housing Act and the naming of those who received loans in excess of costs, you have, in your letter of May 3, suggested that all loans and commitments under all programs and under all

units within the HHFA, and its constituent agencies, be examined and that all irregularities found be made public. You suggested further that we consider, as a matter of policy, full disclosure of all public records of pertinent information relative to all projects not classified as military security requirements, which are financed by public funds or insured by the Federal Government committing the public credit.

I fully agree that information relating to costs, profits, irregularities, and criminal offenses should be exposed to public opinion. It is our intention to make public the facts that are developed and substantiated as quickly as this can be done without either prejudicing the prosecution of culpable individuals or subjecting the innocent to unfair innuendos. This will include specifically how and why loans which permitted large windfall profits were insured and who was responsible for such approvals and insurance.

We have already adopted a policy of full disclosure of information relating to FHA projects. It is our intention, too, that cost figures developed in the course of investigation be likewise made available for public scrutiny. You will realize, however, that up to this date the principal information that we have as to costs of 608 projects was supplied to us, as I believe it was to your committee, by the Bureau of Internal Revenue, and that we are precluded by statutes from making this information available.

Sincerely yours,
ALBERT M. COLE,
Administrator.

Tabular summary of attachments to letter from Hon. Albert M. Cole, Housing and Home Finance Agency Administrator, dated May 17, 1954

Mortgage insurance under National Housing Act	Number of loans	Number of units	Total authority to insure	Limitations on mortgage insurance	Total loans insured	Total loans outstanding	Foreclosures (through Feb. 28, 1954)		Loans in default (Mar. 31, 1954)	
							Number	Outlays from FHA insurance funds		
								Total		Unrecovered
Title I—Sec. 8: Low-income single-family housing.	18,051	18,051	\$250,000,000	95 percent appraised value to \$5,700 maximum.	\$89,769,700	\$84,100,000	58	\$283,408	\$73,558	95
Title II—Sec. 203: 1- to 4-family housing. ¹	2,735,870	2,847,588		80 percent appraised value to \$16,000 maximum.	17,068,491,085	9,977,274,690	5,051	31,103,777	5,204,636	7,353
Title II—Sec. 207: Rental housing.	630	65,552	13,300,000,000	\$5,000,000 or \$50,000,000 in State and local projects.	329,201,443	170,494,000	23	18,489,392	2,389,507	-----
Title II—Sec. 213: Cooperative housing.	7,109	34,199		\$5,000,000; 90 percent replacement value and 95 percent for veterans' projects.	325,166,147	250,662,439	2	2,240,098	2,240,098	28
Title VI—Sec. 603: Family housing (expired).	624,653	624,653	6,990,000,000	90 percent estimated value to \$18,000 maximum.	3,645,259,907	1,716,000,000	10,146	64,812,006	11,002,910	2,352
Title VI—Sec. 608: Multifamily rental housing (expired).	7,045	465,683		90 percent replacement cost up to \$5,000,000.	3,439,771,104	3,034,000,000	273	119,339,992	110,233,420	38
Title VI—Sec. 609: Manufactured housing:			150,000,000	90 percent of cost.	3,196,482	172,148	67	1,054,694	841,726	-----
Manufacturers' loans.	11	1,218		80 percent of price.	1,750,622					
Purchasers' loans.	627	627		90 percent appraised value to \$5,000,000.	24,462,200	18,487,320	12	47,375	2,475	16
Title VI—Sec. 610: Purchase of Government-owned housing.	3,385	9,061	1,000,000,000	85 percent of value in case of builders; 95 percent for owner-occupants.	12,546,380	1,672,324	-----	-----	-----	-----
Title VI—Sec. 611: Large-scale single-family housing.	100	2,059		90 percent of replacement cost up to \$5,000,000.	585,633,902	575,927,780	-----	-----	-----	1
Title VIII—Sec. 803: Military housing.	233	72,689	760,000,000	90 percent of appraised value.	378,437,700	370,199,105	22	180,547	180,547	1,937
Title IX—Sec. 903: Individual purchase, critical areas.	42,905	48,984		90 percent of value up to \$5,000,000.	56,724,083	56,478,583	-----	-----	-----	-----
Title IX—Sec. 908: Rental housing in critical areas.	85	7,604								
Total	3,440,714	4,197,968	22,450,000,000		25,960,410,755	16,264,468,389	15,654	237,551,289	132,168,877	11,820

¹ Supplied from FHA sources, but not included in the Cole letter.

MAY 21, 1954.

MY DEAR MR. COLE: I have received and noted your letter of May 17 replying to letters from me as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, requesting information on Federal housing programs.

I am replying to that part of your letter which admits that the Federal Housing Administration has not insured loans on the basis of cost and, in fact, has no records as to the cost of the projects for which it insured loans under its numerous mortgage

programs totaling \$16 billion now outstanding.

To me it is a shocking situation that what is supposed to be a responsible agency of the Government of the United States should commit the faith and credit of the people of the Nation to the insurance of mortgage loans totaling billions of dollars without even keeping a record of the cost of the properties.

The last paragraph of your May 17 letter says, "To this date the principal information that we have as to cost of (section) 608

projects was supplied to us, as I believe it was to your committee, by the Bureau of Internal Revenue, and * * * we are precluded by statutes from making this information available."

By this you admit that the "principal information" you have as to the costs of those projects constructed under section 608 of the National Housing Act with outstanding loans insured by FHA totaling \$3 billion has come from the committee's source, which was the Bureau of Internal Revenue, and

because of the source you are precluded by law from making it public.

In the next to the last paragraph of your May 17 letter, you say:

"I fully agree that information relating to costs, profits, irregularities and criminal offenses should be exposed to public opinion. It is our intention to make public the facts that are developed and substantiated as quickly as this can be done without either prejudicing the prosecution of culpable individuals or subjecting the innocent to unfair innuendos. This will include specifically how and why loans which permitted large windfall profits were insured and who was responsible for such approvals."

You have been Housing and Home Finance Administrator with responsibility to act since March 9, 1953. You have had knowledge of the situation certainly since I called it to your attention last July 1. In view of your agreement that the facts should be made public, it is incomprehensible to me that, at this late date, you should say the Bureau of Internal Revenue is still the principal source of your information.

I repeat, in justice to all concerned, including taxpayers upon whom any losses will fall if these projects cease to be profitable, you should publicly identify the borrowers who profited on excessive loans which are now the basis for higher rentals and prices.

I submit it is your public duty expeditiously to make public the identity of those who, through loans insured by agencies now under your supervision, have benefited from unconscionable and unwarranted private profit at public risk.

In this connection, information is requested as to what steps you are now taking to see that cost information is ascertained in consideration of future loans, and that it will be a factor in the determination of the amount of the loan to be insured.

Cordially yours,

HARRY F. BYRD,
Chairman.

ADDITIONAL STATEMENT BY SENATOR BYRD

The Federal Housing Administration has insured everyone involved against loss, except the borrower, in 17 million repair or improvement loans totaling \$7.6 billion without any prior appraisal.

This amazing revelation has been made to the Joint Committee on Reduction of Non-essential Federal Expenditures by Mr. Albert M. Cole, Administrator of the Housing and Home Finance Agency, in response to committee inquiries into Federal housing scandals.

He said FHA approved lending institutions are "afforded virtually 100 percent guarantee against loss" under title I repair and improvement program; that lending institutions make "no appraisal of the value of the improvements" at the time the loan is made, and that the loans are made "without prior review by the Federal Housing Administration."

The FHA itself, according to Mr. Cole, has no record of these loans, except in cases where the lending institutions have filed claims on defaulted notes.

Mr. Cole outlined the fiscal record on this program as follows:

1. Under the law \$1,700,000,000 in loans can be outstanding at any one time.
2. Through March 31, 16,887,775 loans had been made aggregating \$7,601,141,120.
3. As of March 31, loans outstanding totaled \$1,484,693,107.
4. As of February 28, lending institutions had filed 482,178 claims of defaulted notes totaling \$151,924,118.

This program, under which the FHA insures the lending institution against loss, rather than insuring the loan, is the program that Assistant Attorney General Warren Olney described as exploited by organized

groups of swindlers, thieves, and crooked salesmen to cheat and defraud literally thousands of small-home owners, and as ruinous to legitimate dealers.

Mr. Cole said that from the records on these loans there is virtually no way of telling whether they were in excess of costs, and neither could it be determined from FHA records whether repair and improvement loans and other FHA-insured loans were running simultaneously on the same property.

In his latest letter Mr. Cole reiterated his prior admission that FHA records do not readily disclose the identity of borrowers for whom FHA has insured construction loans in excess of costs, and in his previous letter he set forth the formula which demonstrated that excess loans result in higher rents.

Mr. Cole further revealed to the committee that in 12 FHA construction and purchase programs through February of this year there have been more than 10,600 foreclosures involving \$206 million at a net loss of \$126.7 million, and that loans in default totaled more than 4,000.

With \$16.2 billion still outstanding in 3.4 million FHA-insured loans, exclusive of repair and improvement loans, the whole story on foreclosures and defalcations is still far from complete.

COLE LETTER EXTRACT

Mr. President, on April 21, 1954, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I wrote to Mr. Arthur M. Cole, Administrator, Housing and Home Finance Agency, making four inquiries with reference to rental rates under jurisdiction of the Federal Housing Administration. These inquiries follow:

1. The extent to which FHA fixes and controls rental rates on properties financed with funds insured under FHA programs.

2. The factors on which rental rates are based for projects financed with loans guaranteed under FHA programs. For instance, would the rate be higher as the result of a loan in excess of cost; than it would be if the loan had been even with the cost or less?

3. A schedule of typical rental rates on comparable projects where: (a) The project was built with an FHA guaranteed loan in excess of cost, (b) the project was built with an FHA guaranteed loan less than cost, (c) the project was built without FHA-insured loans.

4. A list of FHA properties, their location and their size, where rents have been allowed to increase over the original rates, and a statement of policy and specific justification controlling these cases. A complete list of all such properties would be more desirable but a partial list will be temporarily acceptable if this is necessary to expedite reply.

I am now in receipt of a reply to this letter, signed by Mr. Cole. The letter runs to more than seven pages of single spaced type, and I shall not burden the RECORD with the full text.

In substance, the letter leaves no doubt that—

1. It is the general policy of FHA to base the rental rates it fixes on its own estimate of project replacement costs, which in hundreds of cases are known to have been far in excess of actual cost.

2. Higher rents are permissible under FHA's general policy if it estimated replacement costs above actual cost.

3. In percentage of actual cost the sponsor's income from rents is higher if he pocketed some of the federally insured loans.

Mr. Cole makes it clear that—

"The rentals approved are fixed in an amount which, at 93 percent occupancy, will yield the appropriate net return on the estimated replacement cost of the residential

portion of the project (including garages and land) plus required working capital."

He said "this applies to all sections of the National Housing Act, with the exception of title VIII, military housing, where the rents are fixed in the certificate of need filed by the military." The Secretary of Defense has been requested to advise the committee of its rent-fixing policy.

The "appropriate net return" for projects under the 608 program, according to Mr. Cole, has been found by FHA to be 6½ percent of what it estimated their "replacement costs" to be, including land after deductions for operating expenses, reserve for replacements, taxes, ground rents, if any, and management costs, and assuming an occupancy of 93 percent.

The "appropriate net return" for residential rental projects under section 207, according to Mr. Cole, has been found by FHA to be 7¼ percent on what it estimated the "replacement cost" to be, including cash working capital calculated after operating costs, taxes, and replacements of reserve requirements.

Speaking directly to rents authorized for the 608 projects, Mr. Cole said: "If FHA's estimate of cost exceeded the sponsor's actual cost, the permissible rentals would be higher."

Breaking down the factors in a hypothetical example to which the 6½-percent net return formula was applied, Mr. Cole said, "As the rents established are keyed directly to FHA estimate of cost, it is obvious that if the builders produced the units at less than our cost, then the income will exceed 6½ percent net return."

Against the general policy background, Mr. Cole noted some qualifications and variations with respect to rentals fixed by FHA for projects under three other programs financed with loans insured under sections 610, 903, and 908.

The committee was advised that a complete list of cases in which FHA has granted rent increases was not immediately available, but, without reference to the programs under which they were sponsored, Mr. Cole listed 12 projects "picked at random" in which authorized increases range from 25 cents to \$2.40 per room per month. (See pp. 4 and 5 of the Cole letter.)

Mr. Cole said an FHA field director is not permitted to authorize an increase in rents after initial occupancy without first obtaining the prior approval of the Washington office.

Mr. Cole said an FHA "field director is not permitted to authorize an increase in rents after initial occupancy without first obtaining the prior approval of the Washington office."

The committee was advised that a complete list of cases in which FHA has granted rent increases was not immediately available, but without reference to the programs under which they were sponsored Mr. Cole listed 12 projects picked at random in which authorized increases range from 25 cents to \$2.40 per room per month. The 12 projects he listed follow:

1. Project No. 034-42053, Church Lane Village, Philadelphia, Pa. (41 units, 173 rooms): An average rental increase of \$1.84 per room per month was granted on June 9, 1953, due to an increase in operating expenses principally heating, payroll, and real-estate taxes.

2. Project No. 073-42091, Village Garden Homes, Inc., Fort Wayne, Ind. (56 units, 238 rooms): An average rental increase of 93 cents per room per month was granted on April 14, 1953, by reason of increase in real-estate taxes, water expense, electricity, and maintenance expenses.

3. Project No. 052-42006, Drumcastle Apartments, Baltimore, Md. (254 units, 1,207 rooms): An average rental increase of \$1.01 per room per month was granted on April 21,

1953, due to an overall increase in operating cost, principally real-estate taxes and heating expenses.

4. Project No. 126-42002, Oswego Lake Shore Apartments, Oswego, Oreg. (57 units, 257 rooms): An average rental increase of 69 cents per room per month was granted on December 2, 1953, by reason of increase in cost of fuel, lighting, water, real-estate taxes, and ground expense.

5. Project No. 122-42229, Baldwin Gardens, Los Angeles, Calif. (400 units, 1,722 rooms): An average rental increase of 93 cents per room per month was approved December 9, 1953, to cover increase cost of utilities, maintenance expenses, and real-estate taxes.

6. Project No. 127-42006, C. and K. (Lakeview Boulevard Apartments), Seattle, Wash. 18 units, 84 rooms): An average rental increase of \$1.27 per room per month was granted on November 10, 1953, by reason of increase in real-estate taxes.

7. Project No. 062-42099, Aview Apartments, Montgomery, Ala. (22 units, 70 rooms): An average rental increase of 63 cents per room per month was granted November 5, 1952, by reason of increase in water rates, garbage collection fee, and sewer charges levied by the city of Montgomery, Ala.

8. Project No. 053-42065, Clearview Housing Corp., Durham, N. C. (148 units, 592 rooms): An average rental increase of 75 cents per room per month was granted March 31, 1954, due to increase in charge made by city of Durham for water and sewer services.

9. Project No. 083-42037, Arcadia Apartments, Louisville, Ky. (224 units, 896 rooms): An average rental increase of 25 cents per room per month was granted on January 28, 1954, to cover increase in real-estate taxes.

10. Project No. 031-40078, Fairlawn Park Estates, section I, Fairlawn, N. J. (203 units, 763 rooms): An average increase of \$1.52 per room per month was granted on March 16, 1954, principally by reason of increase in real-estate taxes, heating costs, payroll, and water charges.

11. Project No. 012-42252, Hastings Gardens, Inc., Brooklyn, N. Y. (82 units, 299 rooms): An average rental increase of 91 cents per room per month was granted on February 4, 1954, principally by reason of increase in real-estate taxes, heating costs, payroll, and water charges.

12. Project No. 014-42043, Minden Court, Inc., Binghamton, N. Y. (18 units, 90 rooms).

THE DISTRICT OF COLUMBIA CORPORATION ACT OF 1954

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar 516, House bill 3704.

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 3704) to provide for the incorporation, regulation, merger, consolidation, and dissolution of certain business corporations in the District of Columbia.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments.

Mr. CASE obtained the floor.

Mr. KNOWLAND. Mr. President, will the Senator from South Dakota yield?

Mr. CASE. I yield.

Mr. KNOWLAND. Have the amendments which were suggested by the Senators from Delaware now been proposed?

Mr. CASE. I am prepared to offer amendments which meet the objection of the Senators from Delaware, as I understand their objection. The amendments, however, will be offered separately; they are not contained in the print of the bill.

As chairman of the Committee on the District of Columbia, I desire to ask that the amendments which are printed in the bill be considered en bloc, and that the bill with the committee amendments be considered as the original text of the bill, so that the difficulty of considering amendments in the third degree will not be encountered. The amendments to the bill as reported by the committee are largely technical in nature. But I shall offer separately amendments designed to meet the objections of the Senators from Delaware.

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). Is there objection? The Chair hears none, and it is so ordered. The committee amendments will therefore be considered to have been agreed to en bloc.

The amendments agreed to en bloc are as follows:

In the table of contents, after "Sec. 75", to strike out "Sec. 76, Rights of dissenting shareholders"; in the next succeeding lines, to change the section numbers, as follows: "77" to "76"; "78" to "77"; "79" to "78"; "80" to "79"; "81" to "80"; "82" to "81"; "83" to "82"; "84" to "83"; "85" to "84"; "86" to "85"; "87" to "86"; "88" to "87"; "89" to "88"; "90" to "89"; "91" to "90"; "92" to "91"; "93" to "92"; "94" to "93"; "95" to "94"; "96" to "95"; "97" to "96"; "98" to "97"; "99" to "98"; "100" to "99"; "101" to "100"; "102" to "101"; "103" to "102"; "104" to "103"; "105" to "104"; "106" to "105"; "107" to "106"; "108" to "107"; "109" to "108"; "110" to "109"; "111" to "110"; "112" to "111"; "113" to "112"; "114" to "113"; "115" to "114"; "116" to "115"; "117" to "116"; "118" to "117"; "119" to "118"; "120" to "119"; "121" to "120"; "122" to "121", and in the same line, after the amendment just above stated, to strike out "Fees, franchise" and insert "Fees"; in the succeeding lines, to change the section numbers, as follows: "123" to "122"; "124" to "123"; "125" to "124"; "126" to "125"; "127" to "126"; "128" to "127"; "129" to "128"; "130" to "129"; "131" to "130"; "132" to "131"; "133" to "132"; "134" to "133"; "135" to "134"; "136" to "135"; "137" to "136"; "138" to "137"; "139" to "138"; "140" to "139"; "141" to "140"; "142" to "141"; "143" to "142"; "144" to "143"; "145" to "144"; "146" to "145"; "147" to "146"; then add a new section, as follows:

"Sec. 147. Appropriation of funds."

On page 5, line 7, after the word "corporation", to insert "except as used in section 143 of this act"; on page 8, after line 8, to strike out:

"(s) 'Business by a foreign corporation' means the transaction of some substantial part of its corporate business, continuous in its character and not merely casual or occasional, and shall not include the prosecution of litigations, collection of its debts, or the taking of security for the same, or the appointment of an agent for the solicitation of business not transacted in the District: *Provided*, That mere procurement of orders for the sale of personal property by means of telephonic communication, written correspondence, or solicitation by salesmen in the District where such orders require acceptance without the District before becoming binding on the purchaser and seller and

title to such property passes from the seller to the purchaser without the District shall not constitute transacting business within the District: *And provided further*, That the sale of personal property to the United States shall not be considered transacting business within the District unless a contract for such sale is accepted by the seller within the District or such property is delivered from stock of the seller within the District for use within the District."

On page 10, line 22, after the word "income", to strike out "No corporation formed hereunder shall plead any statutes against usury in any court of law or equity in any suit instituted to enforce the payment of any bond, note, or other evidence of indebtedness issued or assumed by it."; on page 16, line 11, after the word "this", to strike out "Act." and insert "Act;";

"(d) shall not indicate, nor shall any statement be made, that the corporation is organized under an act of Congress."; on page 25, line 9, to strike out "office;" and insert "office."; after line 9, to strike out:

"(3) return the other duplicate original to the corporation or its representative."

In line 12, after the word "original", to strike out "returned by the Commissioners"; on page 30, line 7, after the word "in", to strike out "(a)" and insert "(1)"; in the same line, after the amendment just above stated, to strike out "(b)" and insert "(2)"; in line 8, after the word "and" to strike out "(c)" and insert "(3)" on page 57, line 1, after "(f)" to strike out "The" and insert "A statement that the"; on page 59, line 1, after the word "recorded" to insert "by the Commissioners"; on page 63, line 16, after "(a)" to strike out "Amended" and insert "Amendments to the" on page 64, line 11, after the word "original" to strike out "returned by the Commissioners"; on page 71, line 24, to strike out "office;" and insert "office."; at the top of page 72, to strike out:

"(3) return the other duplicate original to the corporation or its representative."

In line 3, after the word "original", to strike out "returned by the Commissioners"; on page 74, line 11, after the word "original", to strike out "returned by the Commissioners"; on page 77, line 3, after the word "original" to strike out "returned by the Commissioners"; on page 82, line 7, after the word "original" to strike out "which shall then be filed for record in the office of the Recorder of Deeds"; after line 8, to insert:

"(c) The certificate of merger or certificate of consolidation, together with the duplicate original affixed thereto, shall be recorded in the office of the Recorder of Deeds."

On page 87, line 16, after the word "original", to strike out "which certificate shall then be recorded in the office of the Recorder of Deeds"; after line 18 to insert:

"(b) The certificate of merger or certificate of consolidation, together with the duplicate original affixed thereto, shall be recorded in the office of the Recorder of Deeds."

In line 22, to change the subsection letter from "(b)" to "(c)"; on page 93, after line 10, to strike out:

"RIGHTS OF DISSENTING SHAREHOLDERS"

"Sec. 76. (a) If a shareholder shall file with the corporation, prior to or at the meeting of shareholders at which a sale or exchange of all or substantially all of the property and assets of a corporation, is submitted to a vote, a written objection to such sale or exchange, and shall not vote in favor thereof, and such shareholder, within 20 days after the vote was taken, shall make written demand on the corporation for the payment to him of the fair value of his shares as of the day prior to the date on which the vote was taken, the corporation shall pay to such shareholder, upon surrender of his certificate

or certificates representing said shares, such fair value thereof. Such demand shall state the number and class of the shares owned by such dissenting shareholder. Any shareholder failing to make demand within the 20-day period shall be bound by the terms of the sale or exchange.

"(b) If, within 30 days after the date on which such vote was taken, the value of such shares is agreed upon between the dissenting shareholder and the corporation, the corporation shall make payment of the agreed value within 90 days after the date on which the vote was taken authorizing the sale or exchange, upon the surrender of his certificate or certificates representing said shares. Upon payment of the agreed value, the dissenting shareholder shall cease to have any interest in such shares or in the corporation.

"(c) If within such period of 30 days the shareholder and the corporation do not so agree, then the dissenting shareholder may, within 60 days after the expiration of the 30-day period, file a petition in any court of competent jurisdiction within the District of Columbia, asking for a finding and determination of the fair value of such shares, and shall be entitled to judgment against the corporation for the amount of such fair value as of the day prior to the date on which such vote was taken, together with interest thereon at the rate of 5 percent per annum to the date of such judgment. The judgment shall be payable only upon and simultaneously with the surrender to the corporation of the certificate or certificates representing said shares. Upon the payment of the judgment, the dissenting shareholder shall cease to have any interest in such shares or in the corporation. Unless the dissenting shareholder shall file such petition within the time herein limited, such shareholder and all persons claiming under him shall be bound by the terms of the sale or exchange."

On page 95, line 9, to change the section number from "77" to "76"; on page 96, line 9, after the word "all", to strike out "franchise taxes, fees," and insert "fees"; in line 17, after the word "original," to strike out "which shall be recorded in the office of the Recorder of Deeds"; after line 18 to insert:

"(c) The certificate of dissolution, together with the duplicate original affixed thereto, shall be recorded in the office of the Recorder of Deeds."

In line 22, to change the subsection letter from "(c)" to "(d)"; on page 97, line 2, to change the section number from "78" to "77"; in line 22, to change the section number from "79" to "78"; on page 99, line 10, to change the section number from "80" to "79"; in line 14, after the word "all" to strike out "franchise taxes, fees," and insert "fees"; in line 23, to change the section number from "81" to "80"; on page 100, line 5, to change the section number from "82" to "81"; in line 23, to change the section number from "83" to "82"; on page 101, line 24, to change the section number from "84" to "83"; on page 103, line 14, to change the section number from "85" to "84"; on page 104, line 3, to change the section number from "86" to "85"; in line 10, to change the section number from "87" to "86"; on page 105, line 9, to change the section number from "88" to "87"; in line 21, after "(b)", to strike out "They shall return the certificate of dissolution, with a duplicate original of the articles of dissolution thereto affixed, which shall be filed for record in the office of the Recorder of Deeds" and insert "The certificate of dissolution, together with the duplicate original of the articles of dissolution affixed thereto, shall be recorded in the office of the Recorder of Deeds."; on page 106, line 8, to change the section number from "89" to "88"; in line 23, to change the section number from "90" to "89"; on page 108, line 3, to change the section number from "91" to "90"; in line 20, to change the section number from "92" to "91"; on page

110, line 6, to change the section number from "93" to "92"; in line 10, to change the section number from "94" to "93"; on page 111, line 2, change the section number from "95" to "94"; in line 10, to change the section number from "96" to "95"; in line 22, to change the section number from "97" to "96"; on page 112, line 5, to change the section number from "98" to "97"; on page 113, line 2, to change the section number from "99" to "98"; on page 114, line 8, to change the section number from "100" to "99"; after line 24, to insert:

"(b) A foreign corporation shall not be required to procure a certificate of authority merely for the prosecution of litigation, the collection of its debts, or the taking of security for the same, or by reason of the appointment of an agent for the solicitation of business not to be transacted in the District, nor for the sale of personal property to the United States within the District of Columbia unless a contract for such sale is accepted by the seller within the District or such property is delivered from stock of the seller within the District for use within the District."

On page 115, line 11, to change the section number from "101" to "100"; on page 116, line 2, to change the section number from "102" to "101"; in line 20, to change the section number from "103" to "102"; on page 117, line 5, to change the section number from "104" to "103"; on page 118, after line 14, to strike out:

"(k) A statement of the amount of stated capital and the amount of paid-in surplus of the corporation, as defined in this act."

In line 18, to change the subsection letter from "(l)" to "(k)"; on page 119, line 5, to change the section number from "105" to "104"; on page 120, line 2, after the word "be", to strike out "returned to the corporation or its representative" and insert "recorded in the office of the Recorder of Deeds"; in line 5, to change the section number from "106" to "105"; in line 13, to change the section number from "107" to "106"; on page 121, line 8, to change the section number from "108" to "107"; on page 122, line 20, after "(3)", to strike out "return the other duplicate original to the corporation or its representative" and insert "the other duplicate original shall be recorded in the office of the Recorder of Deeds"; on page 123, line 4, to change the section number from "109" to "108"; on page 124, line 23, to change the section number from "110" to "109"; on page 125, line 12, to change the section number from "111" to "110"; on page 126, line 2, to change the section number from "112" to "111"; in line 16, to change the section number from "113" to "112"; on page 128, line 6, to change the section number from "114" to "113"; on page 129, line 18, to change the section number from "115" to "114"; on page 130, after line 8, after "(b)", to strike out "The Commissioners shall return such certificate of withdrawal with a duplicate original of the application for withdrawal thereto affixed to the corporation or its representative," and insert "The certificate of withdrawal, together with the duplicate original of the application for withdrawal affixed thereto, shall be recorded in the office of the Recorder of Deeds."; in line 18, to change the section number from "116" to "115"; on page 132, line 2, to change the section number from "117" to "116"; in line 7, after the word "revocation", to strike out "accompanied by one of such certificates", and insert "The certificate of revocation, together with the duplicate original affixed thereto, shall be recorded in the office of the Recorder of Deeds"; in line 16, to change the section number from "118" to "117"; on page 133, line 3, to change the section number from "119" to "118"; in line 16, to change the section number from "120" to "119"; on page 135, line 2, to change the section number from "121" to "120"; on

page 137, at the beginning of line 1, to strike out "Fees, Franchise" and insert "Fees"; after line 1, to strike out "Sec. 122. (a) The Commissioners shall charge in accordance with the provisions of this act" and insert "Sec. 121. (a) There are hereby imposed the following fees and charges:"; after line 7, to strike out "(3) franchise taxes"; at the beginning of line 9, to strike out "(4)" and insert "(3)"; on page 140, line 10, after "(3)", to strike out "For filing an agreement of consolidation or an agreement of merger, \$20: Provided, That" and insert "Upon filing of an agreement of consolidation or an agreement of merger,"; on page 141, line 4, after the word "District", to strike out "and each domestic corporation"; after line 8, to insert:

"(e) Each domestic corporation organized, incorporated, or reincorporated under the provisions of this act shall pay, at the rate hereinafter set out, an annual report fee based upon the amount of its total authorized capital stock on the 15th day of March immediately preceding the date on which such annual report is due to be filed. The annual report fee shall be paid at the time of filing the annual report required of such corporations under the provisions of this act. The amount of the annual report fee shall be as follows:

"Where the total authorized capital stock does not exceed \$25,000, \$15; where the total authorized capital stock exceeds \$25,000, but does not exceed \$100,000, \$25; where the total authorized capital stock exceeds \$100,000, but does not exceed \$300,000, \$40; where the total authorized capital stock exceeds \$300,000, but does not exceed \$500,000, \$70; where the total authorized capital stock exceeds \$500,000, but does not exceed \$1,000,000, \$100; and a further sum of \$50 for each \$1,000,000, or fraction thereof, in excess of \$1,000,000. Shares without par value, for the purpose of ascertaining the amount of the annual report fee, but for no other purpose, shall be taken to be of the par value of \$50 each.

"(f) In the case of a newly organized corporation, the amount of the annual report fee to be paid at the time of the filing of its first annual report shall be an amount at the rates provided in subsection (e) of this section prorated on a monthly basis for the period from the date its certificate of incorporation or reincorporation was filed with the Commissioners to the April 15 on which said first annual report is due to be filed.

"(g) If the annual report fee of any domestic corporation is unpaid on the April 15 on which the same is due, the annual report fee shall bear interest at the rate of 1 percent per month until paid."

On page 142, line 20, to change the subsection letter from "(c)" to "(h)"; on page 143, line 3, to change the section number from "123" to "122"; in line 16, to change the section number from "124" to "123"; on page 146, line 6, to change the section number from "125" to "124"; in line 15, to change the section number "126" to "125"; on page 147, line 4, to change the section number from "127" to "126"; in line 16, to change the section number from "128" to "127"; in line 19, after the word "be", to insert "plus interest thereon as provided by this Act"; on page 148, line 10, to change the section number from "129" to "128"; in line 17, to change the section number from "130" to "129"; on page 149, line 2, to change the section number from "131" to "130"; in line 16, to change the section number from "132" to "131"; in line 25, to change the section number from "133" to "132"; on page 150, line 17, to change the section number from "134" to "133"; in line 23, to change the section number from "135" to "134"; on page 151, line 7, to change the section number from "136" to "135"; in line 14, to change the section number from "137" to "136"; on page 152, line 5, to change the section number from "138" to "137"; on page 153, line 19, to change the section number from "139" to "138"; on page 154, line 8,

to change the section number from "140" to "139"; in line 13, to change the section number from "141" to "140"; in line 23, to change the section number from "142" to "141"; on page 158, line 1, after the word "duplicate" to strike out "original which shall be filed for record in the office of the Recorder of Deeds;" and insert "original"; in line 4, to strike out "or"; after line 4 to insert:

"(f) The certificate of reincorporation, together with the duplicate original of the articles of reincorporation affixed thereto, shall be recorded in the office of the Recorder of Deeds."

On page 160, line 11, to change the section number from "143" to "142"; line 11, after the word "initial", to strike out "franchise" and insert "license"; on page 161, line 14, to change the section number from "144" to "143"; on page 162, line 20, after the word "Congress" to insert "authorizing the formation of corporations under the laws of the District of Columbia"; on page 163, line 8, after the word "original", to strike out "returned by the Commissioners"; in line 10, after the word "Deeds", to strike out the comma and "and he shall charge the usual fee for recordation as for deeds of real estate"; on page 164, line 4, to change the section number from "145" to "144"; in line 3, to change the section number from "146" to "145"; in line 13, to change the section number from "147" to "146"; and after line 17, to insert:

"APPROPRIATION OF FUNDS

"Sec. 147. There are hereby authorized to be appropriated from any moneys in the Treasury of the United States to the credit of the District of Columbia, such amounts as may be necessary to carry into effect the provisions of this act."

The PRESIDING OFFICER. The bill is open to amendment.

Mr. CASE. First, I desire to speak briefly about the bill and state what it proposes to accomplish.

The bill is necessary because the District of Columbia has a very obsolete corporation act. At present, it contains no provisions whatsoever for such normal, customary, and necessary procedures as mergers, consolidations, and reorganizations. Neither does it permit District of Columbia corporations to issue no par stock, to purchase the stock of other corporations, or to have more than a single corporate purpose. A District of Columbia corporation at present may not buy, sell, or deal in real estate, except corporations engaged in business as real estate agents or brokers. Not only are directors required to be stockholders, but a majority must be citizens of the District. Because many persons who do business in the District live outside its borders, in nearby Maryland or Virginia suburbs, this provision is restrictive. The result is that the provisions of the present law are so onerous that very few corporations are formed in the District of Columbia.

The bill, as reported, is patterned after the model corporation law prepared by the American Bar Association in 1946. It is similar, in most respects, to the business corporation statutes of Delaware, Maryland, and Illinois. It prescribes the procedures for incorporation, qualification of foreign corporations, consolidation, merger, and dissolution. It contains provisions regarding capital stock, dividends, and amendments, reduction of capital, registered agents, rights of stock-

holders, directors, officers, and annual reports.

The bill was unanimously reported by the Committee on the District of Columbia. After it was reported last year objection was made by the Senators from Delaware. Because of their objections, the bill was passed over on the Consent Calendar.

Some weeks ago the chairman of the Committee on the District of Columbia felt that it might be helpful if the authorities in the State of Delaware were contacted with reference to the factors on which the objections by the Senators from Delaware had been based, in order to see if it might not be possible to draft a bill which would meet the needs of the District of Columbia.

Consequently Mr. William Gullidge, assistant counsel for the Committee on the District of Columbia, and the clerk of the committee, Mr. Robert C. Albrook, went to Delaware and conferred with the Secretary of State, the Attorney General, and other State officials in order to work out satisfactory amendments, which I now desire to offer, and which I understand meet the objections of the Senators from Delaware.

The amendments are as follows:

On page 9, line 14, strike the period after the word "corporations" and in lieu thereof insert a colon and the following proviso: "Provided further, That no corporation may be organized under this act unless the place where it conducts its principal business is located within the District of Columbia."

On page 142, line 7, strike the figure "\$50" and in lieu thereof insert the figure "\$100."

Mr. President, for myself, and on behalf of the Senator from Wyoming [Mr. BARRETT], the Senator from Maryland [Mr. BEALL], the Senator from Maine [Mr. PAYNE], the Senator from West Virginia [Mr. NEELY], the Senator from Montana [Mr. MANSFIELD], the Senator from Ohio [Mr. BURKE], and the Senator from Oregon [Mr. MORSE], I offer the amendments and ask that they be read.

The PRESIDING OFFICER. The clerk will state the amendments.

The LEGISLATIVE CLERK. On page 9, line 14, it is proposed to strike the period after the word "corporations" and in lieu thereof insert a colon and the following proviso:

Provided further, That no corporation may be organized under this act unless the place where it conducts its principal business is located within the District of Columbia.

On page 142, line 7, strike the figure "\$50" and in lieu thereof insert the figure "\$100."

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from South Dakota, for himself and on behalf of other Senators.

Mr. WILLIAMS. Mr. President, I know I am speaking for my colleague, the distinguished junior Senator from Delaware [Mr. FREAR], when I express our appreciation to the Committee on the District of Columbia for the effort which was put forth to solve this problem in cooperation with officials of the State of Delaware.

As has been stated by the chairman of the committee, with the adoption of the amendments, the junior Senator from

Delaware and I have no objection to the passage of the bill. We think the bill will effect a long-overdue revision of the corporation law of the District of Columbia.

Mr. CASE. I appreciate the remarks of the distinguished Senator from Delaware.

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

Mr. CASE. I yield.

Mr. FREAR. I heartily concur in the statement made by my colleague, the distinguished senior Senator from Delaware [Mr. WILLIAMS].

Mr. CASE. I thank the distinguished junior Senator from Delaware.

The first amendment provides that no corporation may be organized under this act unless the place where it conducts its principal business is located within the District of Columbia. Although this is a fairly restrictive provision—and one not found in the laws of any State that I know of—it still permits full local operation of this law. It will make possible the incorporation of companies which have their home offices and headquarters here and do a substantial portion of their business in the District. The amendment has been discussed with leaders of the bar association here and the Corporation Council of the District, and they are agreed that rather than get no modernization of their 50-year-old, unworkable corporation statute, they would not object to this restriction.

The second amendment merely increases the assigned value of no par stock from \$50 to \$100 for purposes of ascertaining the amount of the annual report fee prescribed by the bill. This will bring that figure into line with the provisions of the Delaware statute.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from South Dakota, for himself and on behalf of other Senators.

The amendments were agreed to.

Mr. CASE. Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks, prior to the passage of the bill, a letter I have received from Mr. Alfred Heuston, chairman of the section of corporation, banking, and business law, of the American Bar Association.

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

AMERICAN BAR ASSOCIATION,
SECTION OF CORPORATION,
BANKING AND BUSINESS LAW,
February 2, 1954.

HON. FRANCIS CASE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CASE: I would like to call your attention to the very serious need for the adoption, at this session of Congress, of H. R. 3704 which has passed the House and has been reported favorably by the Senate Committee on the District of Columbia.

The Bar Association of the District of Columbia has been endeavoring for many years to revise the antiquated corporation laws of the District of Columbia. Albert Philipson, Esq., chairman of the Corporation Law Committee of the District of Columbia Bar Association, has summarized very well the inadequacies of the present District laws in his letter dated March 17, 1953, addressed to

Representative Simpson. His letter is printed in report No. 198 submitted by the Committee on the District of Columbia of the House of Representatives.

It is unfortunate that the District of Columbia corporation laws have not long ago been modernized so that it is feasible for corporations to be formed there. All of us, even though not residents of the District of Columbia, have an interest in our National Capital and its laws.

H. R. 3704 proposes a corporation act which is patterned on the Model Business Corporation Act prepared by the Committee on Corporate Laws of the American Bar Association. It is a sound and practical act which is in keeping with the recent trends of law revision. The new corporation laws of Wisconsin (1951) and Oregon (1953) are also patterned on the Model Business Corporation Act and many of its provisions are contained in the 1950 revision of Maryland corporation laws. In addition, the State of Texas has pending before its legislature a revision of its corporation laws which is based upon the model act.

I urge you to see that this matter is presented for action by the Senate at this session of Congress. Enactment of H. R. 3704 may bring back to the District of Columbia many of the corporations which have avoided incorporation under its laws because of their antiquated provisions.

Very truly yours,

ALFRED HEUSTON.

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 of the amendments and the third reading of the bill.

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

The bill was read the third time and passed.

REGULATION OF ADOPTION PROCEDURE IN THE DISTRICT OF COLUMBIA

Mr. KNOWLAND. Mr. President, as I understand, the unfinished business of the Senate is the civil functions appropriation bill.

The PRESIDING OFFICER. The Chair has not yet laid the unfinished business before the Senate.

Mr. KNOWLAND. Then I should like to have the Senate consider a series of bills which were held over from yesterday.

Mr. President, I now ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of calendar 1384, H. R. 7061, a bill to prescribe and regulate the procedure for adoption in the District of Columbia.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 7061) to prescribe and regulate the procedure for adoption in the District of Columbia.

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

There being no objection, the Senate proceeded to consider the bill.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, for the information of the Senate, I desire

to make a brief statement. When the Senate has disposed of Calendar No. 1384, H. R. 7061, I shall ask unanimous consent that the unfinished business, the civil functions appropriations bill be temporarily laid aside in order that there may be considered Calendar No. 1385, a bill (H. R. 7062) to amend the act of April 22, 1944, which regulates the placement of children in family homes in the District of Columbia; Calendar No. 1388, a bill (S. 3387) to make certain changes in the regulation of public utilities in the District of Columbia, and for other purposes; and Calendar No. 512, a bill (H. R. 1026) to amend the Public Health Service Act, with respect to the provisions of certain medical and dental treatment and hospitalization for certain officers and employees of the former Lighthouse Service and for dependents and widows of officers and employees of such Service.

REGULATION OF ADOPTION PROCEDURE IN THE DISTRICT OF COLUMBIA

The Senate resumed the consideration of the bill (H. R. 7061) to prescribe and regulate the procedure for adoption in the District of Columbia.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. KNOWLAND. Mr. President, may we have an explanation of the bill?

Mr. BEALL. Mr. President, similar proposed legislation was introduced in the Senate, but the Senate Committee on the District of Columbia agreed to substitute the House bill.

The purpose of this bill is to revise existing law governing adoptions in the District of Columbia. Since August 25, 1937, new and modern concepts of adoption law and procedures have developed, and it seems desirable to establish these principles and procedures in the law. This bill, therefore, would repeal the act entitled "An act to regulate proceedings in adoption in the District of Columbia," approved August 25, 1937, and set up a new and up-to-date law.

Hearings were held on this bill, and it has the approval and support of the various private and public welfare agencies, the District of Columbia Bar Association, Federation of Churches, and the like. All those organizations are in favor of the bill, and I ask that it be passed.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendments, the question is on the third reading of the bill.

The bill (H. R. 7061) was ordered to a third reading, read the third time, and passed.

PLACEMENT OF CHILDREN IN FAMILY HOMES IN THE DISTRICT OF COLUMBIA

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House bill 7062, which is Calendar No. 1385.

There being no objection, the Senate proceeded to consider the bill (H. R. 7062) to amend the act of April 22, 1944,

which regulates the placement of children in family homes in the District of Columbia.

Mr. KNOWLAND. Mr. President, may we have an explanation of the bill?

Mr. BEALL. Mr. President, the bill is a companion bill to H. R. 7061, which the Senate just passed. It spells out more clearly and simplifies some of the provisions of legislation on the subject which has heretofore been in effect. I urge the passage of the bill.

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

Mr. BEALL. I yield to the Senator from South Dakota.

Mr. CASE. The bill which was just passed deals with the actual adoption of children. The bill under consideration is a companion bill, is it not, which fits into the legislation just passed?

Mr. BEALL. The purpose of the bill is to amend existing law which regulates the placement of children in family homes in the District of Columbia. Present law provides for a committee appointed by the Commissioners of the District to draft rules and regulations, such committee to consist of representatives of the then existing five child-placing agencies. There are now eight such agencies, and it is believed that all agencies should be represented on the committee, and in addition the medical and legal professions.

Mr. CASE. The bill relates to the foster homes, family homes, and agencies which help children, does it not?

Mr. BEALL. Yes, and the bill provides that members of the different agencies shall be appointed to a committee which will approve the placement of children.

I ask that the bill be favorably considered.

The PRESIDING OFFICER (Mr. BARRETT in the chair). If no amendments are to be offered, the question is on the third reading and passage of the bill.

The bill (H. R. 7062) was ordered to a third reading, read the third time, and passed.

REGULATION OF PUBLIC UTILITIES IN THE DISTRICT OF COLUMBIA

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1388, Senate bill 3387.

There being no objection, the Senate proceeded to consider the bill (S. 3387) to make certain changes in the regulation of public utilities in the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments.

Mr. KNOWLAND. Mr. President, may we have an explanation?

Mr. PAYNE. Mr. President, the bill embodies some of the recommendations made by a special investigating subcommittee of the District Committee following a 6 months' study and investigation of public transportation serving the District of Columbia. In addition to the extensive record of those 6 months, a special hearing was held by a regular

subcommittee of the District Committee on this bill, and 2 of the more controversial features of it were eliminated. Thus the committee feels that this bill represents the least controversial proposals to come out of its investigation.

I may say that sections 101, 102, 104, and 105 are principally clarifying sections, intended to clear up ambiguities or inconsistencies in present law, and not to make substantial or important substantive changes in the law. They are explained in the report.

Section 103 requires anyone obtaining control of a local public utility to secure the prior approval of the Public Utilities Commission, which is to determine if such acquisition would be in the public interest. Standards are set forth.

Section 106 authorizes the PUC to employ a transit engineer.

Section 107 increases salaries of the two civilian members of the commission from \$11,500 to \$13,000, and authorizes designation of an assistant engineer commissioner to act for the engineer commissioner on the PUC.

Section 201 would give the PUC power to set school fares at not more than half the established cash fare. School fares for years have been frozen by law at the unrealistic rate of 3 cents. This provision was proposed in a bill introduced last year by the Senator from Florida [Mr. HOLLAND], and is incorporated in Senate bill 3387.

The PRESIDING OFFICER. An amendment was offered by the Senator from Maine [Mr. PAYNE] yesterday, on page 1, line 8, to strike out "section" and insert "Paragraph 16 of section." That amendment was agreed to. The clerk will now state the amendments of the committee.

Mr. PAYNE. Mr. President, I ask unanimous consent that the amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendments are agreed to en bloc.

The amendments agreed to en bloc are as follows:

On page 2, line 2, after the word "amended", to strike out "by deleting the last two sentences of paragraph 16 and inserting in lieu thereof the following: 'Amounts representing depreciation charges may be expended in keeping the property of such public utility in repair and in good and serviceable condition for the use to which it is devoted, or invested.'" and insert: "to read as follows:

"PAR. 16. That every public utility shall make proper and adequate provision for depreciation. The Commission shall ascertain and determine what are the proper and adequate rates of depreciation for the various classes of property of each public utility. These rates shall be such as will provide the amounts required over and above the expense of maintenance to keep such property in a state of efficiency corresponding to the progress of the industry. Each public utility shall conform its depreciation accounts to such rates so ascertained and determined by the Commission. The Commission may make changes in such rates of depreciation from time to time as it may find to be necessary. The Commission shall also prescribe rules, regulations, and forms of accounts regarding such depreciation which the public utility is required to carry into effect. The Commission shall provide for such deprecia-

tion in fixing the rates, tolls, and charges to be paid by the public."

On page 3, line 13, after the word "utility", to strike out "organized under the laws of the District of Columbia" and insert "subject to the provisions of this section"; on page 4, line 2, after the word "acquisition", to insert "In the administration of this paragraph the Commission shall give consideration to (1) the effect of such control on the management of the utility, its financial practices and policies, (2) the effect upon the public interest of a change in control of the utility, including the willingness of the management to recognize the paramount public interest in the exercise of a public franchise, (3) the experience of those seeking control in the particular type of utility operation, (4) the relationship of the person seeking control to associates in other businesses in the District of Columbia or elsewhere and his relationship to any other public utility operating in the metropolitan area, and (5) the effect upon the employees of the utility involved."

On page 5, line 1, after the word "times", to insert "thereafter"; after line 5, to strike out:

"Authorization of General Counsel for Commission

"SEC. 105. (a) Paragraph 91 of such section is amended (1) by deleting the first sentence of said paragraph and inserting in lieu thereof the following: 'There is hereby created in and for the Commission an Office of General Counsel, to consist of a General Counsel who shall receive compensation at the rate of grade GS-17 in the general schedule established by the Classification Act of 1949, as amended, one assistant general counsel and such other personnel as may be needed, who shall receive compensation in accordance with said Classification Act with-in appropriations provided by Congress.'; and (2) by deleting the words 'Corporation Counsel' in the third, fifth, and sixth sentences of said paragraph 91, and inserting in lieu thereof 'General Counsel.'

"(b) Paragraph 35 of such section is amended by deleting the last sentence and inserting in lieu thereof the following: 'And the said Commission is hereby given power to call on any district attorney of the United States, the General Counsel of the Commission or any other counsel of the Commission to enforce the provisions of this section in the proper courts of the United States, and on such call it shall be the duty of the said district attorney, General Counsel, or other counsel of the Commission, upon request of said Commission, to enforce the provisions of this paragraph, the cost and expenses incurred to be paid out of the appropriations for the expenses of the courts of the United States.'"

On page 6, line 10, to change the section number from "106" to "105"; on page 7, line 2, to change the section number from "107" to "106"; in line 16, to change the section number from "108" to "107"; on page 8, after line 7, to strike out:

"TITLE II—PUBLIC INTEREST DIRECTORS FOR CAPITAL TRANSIT CO.

"Requirement and provision for nomination and election

"SEC. 201. (a) Effective as of the first annual election of directors of the Capital Transit Co. which occurs more than 60 days after the date of the enactment of this act and thereafter, 3 of the 15 directors of such company shall be elected by the stockholders of such company from among individuals nominated for such positions in accordance with this section by the Commissioners of the District of Columbia. Such three directors shall represent the interests of the public on the board of directors of such company, and shall, except as otherwise provided in this section, each have the same authority and rights as any other director

of such company. Each of such three directors (1) shall be, in the opinion of the Commissioners of the District of Columbia, qualified to be a corporation director in the public utility and transportation fields, (2) shall own no stock in, and have no other direct or indirect interest in, Capital Transit Co., and (3) shall be a resident of the District of Columbia.

"(b) The Commissioners of the District of Columbia shall nominate 10 individuals who are qualified for such positions, and submit a list of such nominations to the Capital Transit Co., prior to 30 days before such first annual election and before each election of directors thereafter."

On page 9, line 10, to change the title number from "III" to "II"; in line 14, to change the section number from "301" to "201"; on page 10, line 7, in the heading, before the word "Separability", insert "Title III—", and in line 8, to change the section number from "302" to "301", so as to make the bill read:

"Be it enacted, etc., That this act may be cited as the 'District of Columbia Public Utilities Regulation Act of 1954.'

"TITLE I—AMENDMENTS TO ACT CREATING PUBLIC UTILITIES COMMISSION

"Use of public utilities' depreciation funds

"SEC. 101. Paragraph 16 of section 8 of the act entitled 'An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes', approved March 4, 1913, as amended, is amended to read as follows:

"PAR. 16. That every public utility shall make proper and adequate provision for depreciation. The Commission shall ascertain and determine what are the proper and adequate rates of depreciation for the various classes of property of each public utility. These rates shall be such as will provide the amounts required over and above the expense of maintenance to keep such property in a state of efficiency corresponding to the progress of the industry. Each public utility shall conform its depreciation accounts to such rates so ascertained and determined by the Commission. The Commission may make changes in such rates of depreciation from time to time as it may find to be necessary. The Commission shall also prescribe rules, regulations, and forms of accounts regarding such depreciation which the public utility is required to carry into effect. The Commission shall provide for such depreciation in fixing the rates, tolls, and charges to be paid by the public."

"Elimination of free distribution of copies of hearing transcripts

"SEC. 102. Paragraph 53 of such section is amended by deleting the last sentence which reads as follows: 'A copy of such transcript shall be furnished on demand, free of cost, to any party to such investigation.'

"Acquisition of control of public utilities

"SEC. 103. Such section is amended by inserting after paragraph 54 the following new paragraph:

"PAR. 54A. (a) It shall be unlawful (1) unless approved by order of the Commission as provided in this paragraph for any person to acquire control in any manner whatsoever of any public utility subject to the provisions of this section, and (2) to maintain any such control established in violation of this paragraph. Any person seeking approval to acquire control of a public utility in accordance with this paragraph shall make application to the Commission, in such form as shall be required by the Commission. Upon receiving any such application the Commission shall determine, after public hearing with notice on such application, whether the acquisition of control by such person would be consistent with the public interest. If it finds that such acquisition is

consistent with the public interest, the Commission shall by order approve such acquisition. In the administration of this paragraph the Commission shall give consideration to (1) the effect of such control on the management of the utility, its financial practices and policies, (2) the effect upon the public interest of a change in control of the utility, including the willingness of the management to recognize the paramount public interest in the exercise of a public franchise, (3) the experience of those seeking control in the particular type of utility operation, (4) the relationship of the person seeking control to associates in other businesses in the District of Columbia or elsewhere and his relationship to any other public utility operating in the metropolitan area, and (5) the effect upon the employees of the utility involved.

"(b) The Commission may establish such orders, rules, and regulations as may be necessary to provide for the enforcement of the provisions of this paragraph."

"Change of Commission's orders"

"Sec. 104. Paragraph 62 of such section is amended to read as follows:

"PAR. 62. The Commission may, at any time, upon notice to the public utility and after opportunity to be heard as provided in paragraph 40 of this section, rescind, alter, or amend any order fixing any rate or rates, tolls, charges, or schedules, or any other order made by the Commission, and fix the time or times thereafter when the newly prescribed rate or rates or any part of the newly prescribed rates shall be made effective, and certified copies of the same shall be served and take effect as herein provided for original orders."

"Regulation of rates"

"Sec. 105. Paragraph 94 of such section is amended to read as follows:

"PAR. 94. Any public utility desiring to advance or discontinue any established rate or rates may make application to the commission in writing, stating the advance in or discontinuance of the rate or rates desired, giving the reasons for such advance or discontinuance. Upon receiving such application the commission shall fix a time and place for hearing, and give such notice to the interested parties as shall be proper and reasonable. If after such hearing and investigation the commission shall find that the change or discontinuance applied for is reasonable, fair, and just, it shall grant the application, either in whole or in part. Any public utility affected by any order of the commission made under the provisions of this paragraph may commence a proceeding against it as provided in this section."

"Authorization of transit engineer"

"Sec. 106. Such section is amended by inserting after paragraph 95 the following new paragraph:

"PAR. 95A. The commission is authorized to employ a qualified transit engineer for the purpose of making transit and traffic studies and surveys, advising and making recommendations to the commission, and cooperating with other public officials, transit officials, and others, in matters dealing with transit and traffic problems, including use of streets and highways and highway and safety planning; cooperating with comparable groups in the metropolitan area of Washington, District of Columbia; and coordinating his studies and surveys with the activities of those groups."

"Substitute for Engineer Commissioner authorized and commissioners' salary increased"

"Sec. 107. Subparagraph (a) of paragraph 97 of such section is amended by deleting '\$7,500' in the second sentence and inserting in lieu thereof '\$13,000', and by inserting at the end of such subparagraph the following:

"Wherever the terms 'Engineer Commissioner of the District of Columbia' is used in this section, such term shall be deemed to mean either the Engineer Commissioner of the District of Columbia or such of the assistants to the Engineer Commissioner as the said Engineer Commissioner may designate, from time to time, to act in his place and stead in the consideration and disposition of any investigation, inquiry, hearing, or other matter within the powers of the commission; and any of the assistants to the Engineer Commissioner so designated, shall, with respect to the specific investigation, inquiry, hearing, or other matter he has been designated to consider and dispose of, be deemed to be a commissioner of the Public Utilities Commission."

"TITLE II—TRANSPORTATION FARES FOR SCHOOL CHILDREN IN THE DISTRICT OF COLUMBIA"

"Regulation provided for"

"SEC. 201. Notwithstanding the provisions of the joint resolution entitled 'Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes,' approved January 14, 1933, and the provisions of the unification agreement incorporated therein, and notwithstanding the provisions of the act entitled 'An act to provide for the transportation of school children in the District of Columbia at a reduced fare,' approved February 25, 1931, the Public Utilities Commission of the District of Columbia shall fix the rate of fare for transportation by street railway and bus of school children going to and from public, parochial, or like schools in the District of Columbia at not more than one-half the cash fare established from time to time by the Public Utilities Commission for regular route transportation within the District of Columbia, and shall establish rules and regulations governing the use thereof. No fares for school children shall be available to persons over 18 years of age."

"TITLE III—SEPARABILITY"

"SEC. 301. If any provision of this act, or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the act and the application of such provision to other persons and circumstances shall not be affected thereby."

Mr. PAYNE obtained the floor.

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

Mr. PAYNE. Yes.

Mr. KNOWLAND. Was the bill unanimously reported from the Committee on the District of Columbia?

Mr. PAYNE. It was unanimously reported from the Committee on the District of Columbia.

Mr. STENNIS. Mr. President, it was rather difficult to hear the Senator from Maine. The bill under consideration refers to the regulation of public utilities in the District of Columbia, does it not?

Mr. PAYNE. That is correct.

Mr. STENNIS. The bill provides for the raising of a salary. Is that for the city Commissioner or some other Commissioner?

Mr. PAYNE. The bill provides for an increase in the salary of the members of the Public Utilities Commission. There are 3 members on the Commission, 2 of whom are civilian members, and the 3d holds a dual capacity as the Engineer Commissioner of the District of Columbia and as a member of the Public Utilities Commission with its 2 civilian members. Because of the load of work imposed on the members of the Commission as demonstrated by the studies con-

ducted by the special investigating subcommittee which investigated the problem affecting the public utilities of the District, it was definitely the thought of the members of the subcommittee and of the full Committee on the District of Columbia that the salaries were too low to compensate adequately the members of the Commission for the tremendous amount of work and the type of work they are called upon to do.

Mr. STENNIS. What is the situation with reference to increasing the transportation fares?

Mr. PAYNE. Under the bill all matters pertaining to the regulation of fares will not come under the Congress, but will be under the control of the Public Utilities Commission, as is the case in any State. One fare that has been controlled by Congress in the past—I believe it goes back to 1933—is the so-called school fare, which in 1933 was set at 3 cents, and has not since been changed. It was the feeling of the committee that this fare rightfully should be under the control of the Public Utilities Commission, so that the Commission may take it into account in establishing the rates of fare which shall be promulgated for the people of this area.

Mr. STENNIS. So the bill provides, does it not, that that fare, as in the case of all other fares, will be regulated by the Public Utilities Commission?

Mr. PAYNE. That is correct. Let me add that the bill also establishes a ceiling, so that the school fare shall not go above 50 percent of the established cash fare for adults.

Mr. STENNIS. I believe the Senator from Maine said the bill had the approval of all the members of the committee.

Mr. PAYNE. That is correct. The members of the committee included the Senator from Oregon [Mr. MORSE] and the Senator from Maryland [Mr. BEALL], who served on the special subcommittee. Many features of the bill were considered at another hearing, held by the commerce subcommittee of the Committee on the District of Columbia; and the subcommittee finally reported to the full committee. In every case the action taken was by unanimous recommendation and approval.

Mr. STENNIS. I thank the Senator from Maine very much.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CASE. Mr. President, I should like to take only a minute or two to express the appreciation of the Committee on the District of Columbia, and, in particular, of myself, as chairman of the committee, for the consideration given by the leadership—both the majority leader and the minority leader—in connection with the scheduling, for consideration by the Senate at this session, of bills relating to the District of Columbia. Although perhaps the committee will have a few more bills to report, as of today we have fairly well completed our calendar of measures that are more or less urgent in character.

I believe that with the passage of the public works and revenue bill; the passage of a nonvoting delegate bill, a year

ago; the passage of the several bills that have been on the Consent Calendar, once earlier in the session, and again yesterday; and the passage of the bills that have been considered today by the Senate, after having been made the special business of the Senate, the committee is completing a record for the handling of proposed legislation that will not be excelled in the history of many sessions of the Congress.

Mr. KNOWLAND. Mr. President, if the Senator from South Dakota will yield to me, let me say, as majority leader of the Senate, that I desire to commend the chairman of the Committee on the District of Columbia for what I consider to be one of the outstanding jobs ever performed by a District Committee during the 9 years I have been a Member of the Senate of the United States.

I wish to say to the Senator from South Dakota that I was glad to arrange, in cooperation with the minority leader, for the scheduling of these bills, this week, because I think all of us realize that following June 1, when we return from the brief Memorial Day recess, the Senate will be under heavy pressure during the last 2 months of the session.

So I was concerned, as I know the chairman of the Committee on the District of Columbia was, also, that unless the Senate could find a place, this week, for the consideration of these bills, they might become lost among the heavy load of proposed legislation of general nature, relating to the entire country.

Therefore, Mr. President, again I wish to commend the Senator from South Dakota for his diligence in requesting a place on the program for these bills, and I desire to say to him that we were glad to cooperate with him in that connection.

Mr. CASE. Mr. President, the generous remarks of the majority leader are greatly appreciated.

Let me say, in conclusion, that whatever the Committee on the District of Columbia has been able to accomplish, has been due to the fact that the several members of the committee have worked without any sense or feeling of partisanship. That is as it should be when we deal with the District of Columbia. They have cooperated in every respect, and they have given a great deal of time to the hearings and to the subcommittees. The accomplishments of the committee are also due to the very fine work of the committee's efficient staff.

I thank the Senate for its indulgence, Mr. President.

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

The bill (S. 3387) was ordered to be engrossed for a third reading, read the third time, and passed.

HOSPITALIZATION FOR CERTAIN OFFICERS AND EMPLOYEES OF THE FORMER LIGHTHOUSE SERVICE

Mr. KNOWLAND. Mr. President, we come now to the last of the series of bills we wish to have considered before

taking action on the civil functions appropriation bill.

I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar 512, House bill 1026, to amend the Public Health Service Act, with respect to the provisions in the case of certain medical and dental treatment and hospitalization for certain officers and employees of the former Lighthouse Service and their dependents and widows.

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

There being no objection, the Senate proceeded to consider the bill (H. R. 1026) to amend the Public Health Service Act, with respect to the provisions of certain medical and dental treatment and hospitalization for certain officers and employees of the former Lighthouse Service and for dependents and widows of officers and employees of such Service.

Mr. KNOWLAND. Mr. President, may we have an explanation of the bill?

Mr. SMITH of Maine. Mr. President, this bill makes a very small amendment to the Public Health Service Act. The bill affects only approximately 800 persons, a group that is receiving very low pensions. It is a group which braved the storms and the seas before the Coast Guard took over the task. It is composed mainly of very old retirees and their widows. This group is a rapidly diminishing one, with an average age of approximately 70 years. Its members are being replaced by regular Coast Guard personnel, so the expense involved in connection with this measure cannot recur.

The Public Health Service regards the expenditures involved as very small.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 1026) was ordered to a third reading, read the third time, and passed.

CIVIL FUNCTIONS APPROPRIATION BILL, 1955

The Senate resumed the consideration of the bill (H. R. 8367) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1955, and for other purposes.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. KNOWLAND. Mr. President, I have a brief statement to make in opening the debate on the civil functions appropriation bill. I should like to be able to complete the statement, and then I shall be glad to yield to answer any questions.

The bill as reported to the Senate recommends an appropriation of \$484,095,500, which is \$18,935,500 above the budget estimate, and \$42,501,900 above the amount appropriated last year. In view of the reduction in the amount of funds that will be carried over into the new fiscal year, the funds recommended will permit this activity to continue at approximately its present level.

Last year in discussing this appropriation bill I expressed the view that a certain percentage of the amounts appropriated by the bill should be expended on large multiple-purpose projects in order that the most economical construction schedules could be followed. At that time I stated that this would result in early returns on these revenue-producing projects. The budget estimate submitted to the Congress provided for a year's delay in getting power on the line at the Dalles Dam, Ore., and Buford Dam in Georgia, and a year's delay in the last 12 generating units at Chief Joseph Dam, Wash. Fifty-six percent of the increase recommended over the budget can be ascribed to a desire on the part of the committee to keep these important projects on the previously approved schedule. I thought this was a sound procedure last year, and I think it is sound today. By increasing appropriations by \$10,600,000 in fiscal year 1955, with corresponding decreases after fiscal year 1955, we can feed some 1,166,000 additional kilowatts of capacity into our economy 12 months earlier. The gross revenue from the sale of this energy is estimated at \$15,113,000 annually.

The committee recommended \$13,124,800 for new starts or resummptions of 19 projects having a total estimated cost of \$304,964,000 in addition to the 17 new starts provided for in the bill as passed the House. Senators will no doubt recall that last year I discussed the reduction in the number of projects in the bill from 278 in fiscal year 1949 to the 78 projects in the 1954 budget, and stated that without some new starts this would decrease to 47 projects by 1956. This year we have the first reversal in this downward trend. The budget provided for 87 projects, including 20 new starts or resummptions. As I pointed out last year, this problem was further complicated by the fact that the fiscal requirements for the projects which were underway at that time would require more funds in the next 2 succeeding years than were recommended for fiscal year 1954. This year we were faced with the same problem. Fortunately, we are 1 year closer to the time when existing commitments will not play so large a role in the committee's determination of the projects which can and should be included in this bill.

The new starts recommended with one exception are either small or medium-sized projects. There is only one large multiple-purpose project recommended for initiation this year. While such a project would normally be started with a somewhat larger appropriation the first year, consideration had to be given to the amount of funds an economical construction program would require in the 1 remaining critical year ahead. The

funds recommended will provide for the orderly initiation of work on this project without creating too heavy a commitment for next year.

Funds are provided for planning on five projects not included in the budget estimate. The committee believes there is an inadequate backlog of projects which have been planned in sufficient detail so that the committee feels justified in recommending an appropriation for the initiation of construction. It has recommended \$3,288,000 for this purpose, which is an increase of \$1,088,000 above the amount allowed by the House and \$788,000 above the budget estimate.

Between January 25 and March 13 the committee held 32 open hearings at which more than 400 witnesses testified. The amount of \$461,622,615 was requested for construction, general, of which \$322,519,800 was recommended by the committee. Five executive sessions of the subcommittee were held for the purpose of preparing the bill. These sessions for the most part were evening sessions and totaled 13 hours.

At this point I digress for a moment to pay tribute to the members of the subcommittee for their diligence, and for their constructive approach to the many difficult problems with which the committee was faced. I found all members of the committee, from both sides of the aisle, very earnest and devoted to their work in the committee. The Democratic members, as well as the Republican members of the committee, in the discharge of their obligations, gave unstintingly of their time and energy in order to bring the best possible bill to the floor of the Senate.

The proper and orderly development of our natural resources is one of the more pressing problems facing the country, if we are to take care of our own increasing population and at the same time carry our full share of the responsibilities of world leadership. Many of our canalized waterways are reaching the point where they must be modernized; in fact some of these structures are approaching the point of actual failure.

Funds are provided in the bill to initiate replacement of the Warrior lock and dam in Alabama, and for the new Cumberland lock and dam, which replaces locks 7, 8, and 9 on the Ohio River; for the continuation of reconstruction of Green River locks and dams 1 and 2, which were initiated with funds provided in the 3d supplemental; and for the completion of planning on Greenup locks and dam, which would replace three other locks and dams on the Ohio River.

The bill provides construction funds for 18 multiple-purpose projects which will have a total installed capacity of 5,142,600 kilowatts. Included also are funds for construction of flood protection measures, and for the improvement of navigational facilities. These projects will provide for some of the most urgent work along the Eastern Seaboard, the Middle West, the Gulf area, and the Far West.

This is a bill in connection with which I can and will support the recommendations of the subcommittee and of the full committee. I am sure I can state without

fear of contradiction that every member of the committee has done the best job possible in the interests of the entire country in this important job of civil functions.

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

Mr. KNOWLAND. I yield.

Mr. IVES. Mr. President, I note with some dismay that according to the report at page 5 and thereafter, under the subject heading "Construction, General," no funds are provided in the appropriation bill for the Buffalo Harbor project, and I am greatly disturbed by the omission.

This project is not a new one, and is most important to the defense and commerce of the area. The Congress, through previous authorizations and appropriations, has given due recognition to the economic importance of this major harbor.

Projects to improve Buffalo Harbor were authorized in 1935 and 1945. Appropriations to carry out these authorizations were approved in each of the 5 fiscal years, 1949 to 1953 inclusive.

Unfortunately, no funds were appropriated for the fiscal year 1954, nor included in the bill before us, leaving approximately 68 percent of the authorized construction work to be finished.

Ships being added to the Great Lakes fleet are unable to use some parts of the Buffalo Harbor, a condition which is steadily being aggravated by the lack of construction funds.

The evidence bears out the urgency for completion of the work as soon as possible in order that the important port of Buffalo may meet the increasing demands upon its facilities.

It has been brought to my attention that the channels that constitute the port of Buffalo will be 2 to 6 feet too shallow to meet the proposed 27-foot depth of the St. Lawrence Seaway. I understand that the ships which may pass through the seaway will need deeper water at Buffalo than at any port farther west, inasmuch as Buffalo will be potentially the first port of discharge after ships leave the Welland Canal and the last port of loading before entering that canal and the seaway.

I cannot urge too strongly that the necessary funds be provided to carry on this vital construction work.

Mr. President, I do not propose to offer an amendment. I realize the problem with which the majority leader is faced in connection with the pending bill. However, I do ask him to give serious consideration to this urgently needed appropriation in the next supplemental appropriation bill. I believe it is extremely necessary that such an appropriation be made.

Mr. KNOWLAND. Mr. President, as the Senator who was the chairman of the Civil Functions Subcommittee, let me say to the Senator from New York that he is quite correct. The Buffalo Harbor project has a total estimated Federal cost of \$17,314,800, of which there has been appropriated to date \$5,361,000.

I believe the committee took cognizance of the importance of the Buffalo Harbor project. However, it was largely

guided by the limitations it faced involving a number of factors. One was the fact that there had been, as the Senator from New York points out, no appropriation made last year. What was even more important in the eyes of the members of the committee was the fact that there had not been an estimate made by the Corps of Army Engineers to the Bureau of the Budget, either within or over the ceiling. Inasmuch as no recommendation had been made by the Corps of Army Engineers to the Bureau of the Budget there was no recommendation made by the Bureau of the Budget to Congress for this item.

As the Senator from New York has pointed out, the House has made no allocation.

Had those factors not been present, the committee would have been in a better position to perhaps include a part of the item in the pending bill.

However, in view of the changed conditions because of the St. Lawrence Seaway legislation, if the Corps of Army Engineers were to make a recommendation, on the basis of the importance of the project, and if such a recommendation were approved by the Bureau of the Budget, the committee would then be in a better position to discuss the subject in connection with a supplemental appropriation bill or in connection with the appropriation bill for civil functions at the next session of Congress.

Mr. IVES. Then the Senator from California feels, does he not, that it would be possible to add the item to a supplemental appropriation bill at this session of Congress?

Mr. KNOWLAND. It would be possible if we had a recommendation for such an appropriation from the Corps of the Army Engineers, approved by the Bureau of the Budget. In that case I believe there would still be time for an appropriation, if the facts could be promptly presented.

Mr. IVES. I thank the distinguished Senator from California for his kind consideration and offer of support.

The PRESIDING OFFICER. The clerk will proceed to state the amendments of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Civil Functions, Department of the Army—Cemeterial Expenses," on page 2, at the beginning of line 12, to strike out "\$5,445,700" and insert "\$5,532,700."

The amendment was agreed to.

The next amendment was, under the subhead "Rivers and Harbors and Flood Control—General Investigations," on page 3, line 12, after the word "expended", to strike out "\$2,410,000" and insert "\$3,460,000."

The amendment was agreed to.

The next amendment was, under the subhead "Construction, General," on page 3, line 19, after the word "exceed", to strike out "\$1,000,000" and insert "\$1,360,000"; in line 22, after the word "expended", to strike out "\$278,777,000" and insert "\$322,519,800."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. DOUGLAS. Mr. President, I have an amendment which reduces the appropriation, and I hope we may have a yeand-nay vote on it. Before that takes place, however, I should like to make a brief statement. Then I hope we may have a quorum call and a yeand-nay vote.

I have had printed an amendment to the construction item in the civil functions appropriation bill which would cut the total amount recommended by the Committee on Appropriations by \$14.2 million. This would be a cut from the appropriation approved by the Committee on Appropriations, namely, \$322.5 million, to precisely the amount which the Bureau of the Budget submitted, namely, \$308.3 million. The Committee on Appropriations exceeded the estimate of the Bureau of the Budget by \$14.2 million.

I favor such a reduction. I am not opposed to increases in appropriations for public works, but there are so many types of public works of greater value, both economically and socially, than these navigation projects, that we should not use the current recession as an excuse to spend excessive amounts of money on navigation projects.

This year I have found economy more difficult to achieve than ever before. Formerly the quest for economy cut across party lines. I would vote for cuts proposed by Senators on the other side of the aisle, and many Senators on the other side of the aisle would support the cuts which I proposed.

Moreover, although it is not a new occurrence, this year I have again been challenged for attempting to place my judgment above that of the committee. I have never, nor will I ever, concede that such a point has the slightest bearing on any of the issues coming before the Senate. All Senators do the best they can to represent the citizens of their respective States, and also to take account of the national interest. In proposing economies I have always been convinced that I was representing the desires of my own State. Nevertheless, to make certain on this point, so that there would be absolutely no doubt about it, last year I asked Illinois newspapers to conduct a poll to determine whether or not this was actually the case.

The results of this poll appear in the CONGRESSIONAL RECORD, volume 99, part 8, page 10841. It showed that Illinoisans, whom I represent, favored all efforts to cut nonessential government spending by an overwhelming 4-to-1 majority. And over 90 percent of those who qualified their support listed national defense, welfare, and international programs as the only exceptions they would make. The percentage disapproving all economy efforts was nil.

Therefore, Mr. President, let us forget personalities. In proposing economies I do so as a Senator representing the people of my State.

I had the amendment printed, but I am not going to call it up in the form in which it is printed. It proposes, as I have said, a reduction of \$14.2 million. It would cut back funds for construction of navigation, flood control and multipurpose projects to the level recom-

mended by the Bureau of the Budget. The bill includes \$4.8 million for new starts on navigation projects approved by the Budget Bureau, and the Senate committee has recommended increases over the amounts approved for navigation projects by the budget to the tune of \$4.1 million.

In an effort to achieve the maximum possible support for economy, the amendment I shall offer would cut the total figure by only \$2 million, with a proviso that expenditures for all navigation projects be approved by the Bureau of the Budget.

The effect of the amendment on navigation projects is very simple. It merely says that the area of disagreement between committee recommendations and the Budget Bureau over navigation projects, amounting to \$4 million, shall be compromised on a 50-50 basis, but that the Bureau of the Budget must approve the individual projects to be increased.

I think there can be no doubt that the amendment is very reasonable. The \$2 million cut it makes is less than 1 percent of the total, and the reduction would be made on navigation projects, the funds for which have not been approved by the budget. Yet the Bureau would be forced to approve an additional \$2 million for such projects.

I may disagree with the present administration about ways to soften and turn back the current recession, but the need for sound public works should not be used as an excuse to "roll out the pork barrel."

Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Illinois.

The CHIEF CLERK. On page 3, lines 22 and 23, it is proposed to strike out "\$322,519,800:" and insert in lieu thereof "\$320,519,800: *Provided*, That no part of this appropriation shall be used for any navigation project unless approved by the Bureau of the Budget."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Aiken	Ferguson	Payne
Barrett	Frear	Potter
Bennett	Gillette	Purtell
Bowring	Goldwater	Robertson
Butler, Md.	Hendrickson	Saltonstall
Byrd	Hickenlooper	Schoepfel
Case	Holland	Smathers
Chavez	Ives	Smith, Maine
Clements	Johnson, Tex.	Stennis
Cooper	Johnston, S. C.	Thye
Cordon	Knowland	Upton
Dirksen	Malone	Watkins
Douglas	Martin	Williams
Dworshak	Maybank	Young
Eastland	McClellan	
Ellender	Pastore	

The PRESIDING OFFICER. A quorum is not present.

Mr. KNOWLAND. Mr. President, I move that the Sergeant at Arms be in-

structed to request the attendance of Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. ANDERSON, Mr. BEALL, Mr. BRICKER, Mr. BRIDGES, Mr. BURKE, Mr. BUSH, Mr. BUTLER of Nebraska, Mr. CAPEHART, Mr. CARLSON, Mr. DANIEL, Mr. DUFF, Mr. FLANDERS, Mr. FULBRIGHT, Mr. GEORGE, Mr. GORE, Mr. GREEN, Mr. HAYDEN, Mr. HENNING, Mr. HILL, Mr. HUMPHREY, Mr. HUNT, Mr. JACKSON, Mr. JENNER, Mr. JOHNSON of Colorado, Mr. KENNEDY, Mr. KERR, Mr. KILGORE, Mr. LANGER, Mr. LEHMAN, Mr. LENNON, Mr. LONG, Mr. MAGNUSON, Mr. MANSFIELD, Mr. MCCARTHY, Mr. MILLIKIN, Mr. MUNDT, Mr. NEELY, Mr. RUSSELL, Mr. SMITH of New Jersey, Mr. SPARKMAN, Mr. SYMINGTON, Mr. WELKER, and Mr. WILEY entered the Chamber and answered to their names.

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). A quorum is present.

Mr. MAYBANK. I am a conservative man. I believe in economy. However, there are times when the amount of money we spend today—or save today—is not the sole consideration. I voted for the bill in the committee, and I intend to stand by the chairman of the subcommittee and the chairman of the full committee. I wish to have the RECORD show clearly the situation in the southeastern part of the United States, the area of the country from which I come. The bill provides that \$331 million of the total appropriation of about \$484 million be allocated for power and flood control.

The Federal Power Commission on February 28, 1954, revealed that for December 1957 the southeastern region would have an electric power reserve of only 3.2 percent, whereas in the same report the average for the United States is listed at 10.8 percent.

Further referring to the Southeast, with a reserve of 3.2 percent expected in 1957, and with increased maritime turbine requirements for the Navy, a wartime supply of electric power will be grossly inadequate.

Mr. President, last week the Senate considered the independent offices appropriation bill, and the chairman of the subcommittee, the distinguished Senator from Massachusetts [Mr. SALTONSTALL], upon a request which I think was unanimous, wrote a letter to the Deputy Director of the Budget, Mr. Hughes, asking for some information as to what we would be able to do in connection with the atomic-energy projects, and insisting that the Office of the Director of the Budget let us know by June 10 what they intended to do. Private companies had been negotiating for participation in these projects. Some of the offers claim to be able to provide the necessary power at substantially lower cost than is presently available. Of course, I feel, as do most other Americans, that whenever private companies can do a particular job they should do it. We wanted to ascertain whether they were going to do

something or not. Otherwise, it was understood in the committee, when the independent offices appropriation bill was being considered, that unless something was done by private companies—and I hope something will be done by them—the Government would have to take action.

Mr. President, I am familiar with the private power companies' amortization program. I happened to have been chairman of the Joint Committee on Defense Production and also a member of the Committee on Banking and Currency when the rapid tax-amortization law was passed. In speaking on this subject, I shall not go beyond my own State, despite the fact, I remind my colleagues, that there are no State lines where electric power is concerned. I was horrified to find that in the Southeast, even in December 1954, there would be a reserve of only 9 percent; that in December 1955, next year, there would be a reserve of only 14.5 percent; that in December 1956 we would have a reserve of only 8.4 percent; and in December 1957 we would have a reserve of only 3.2 percent.

I mention these figures because of the danger facing the Southeast and because the figures were furnished to me by Mr. Plucknett, of the Water and Power Division of the Department of the Interior.

I am glad there are amortization programs under which the private power companies may amortize their developments. I think amortization should be provided for all projects. When I was chairman of the Committee on Banking and Currency, I agreed with the present chairman of the committee that there should be no special program for 5 years, or a few years, for any particular project, but that the same provisions should apply for all.

In my State a pretty good job was being done under the program which I sponsored. For instance, the South Carolina Gas & Electric Co. had \$1,733,450 certified. The Carolina Power & Light Co. had \$16,407,000 certified. The South Carolina Generating Co. had \$20,130,000 certified for rapid amortization.

Mr. President, in this atomic age and this changing world, I can understand the absolute necessity for cheap power, a question which I have frequently discussed on the floor of the Senate. I do not know the answer, but we must have cheap power if we are to produce atomic weapons, aluminum, and other necessities. I say frankly that I do not know the answer, but I certainly wish to help in the effort to find it.

Mr. President, when the Savannah River plant was built—and I now see on the floor of the Senate the Senator from Alabama [Mr. HULL] and the Senator from Louisiana [Mr. ELLENDER], who were members of the subcommittee at the time when I was chairman—I begged for private companies to do the job. Finally, Mr. Gordon Dean, the chairman, and Mr. Boyer, the general manager, who had previously been connected with the Standard Oil Co. of New Jersey, made arrangements—and I believe their choice was excellent—to get the plant built and

in operation. I wish this point made amply clear, so there cannot be any misunderstanding about it. Mr. President, we certainly did all we could.

In order to refresh my memory about these matters, I asked Mr. Nichols, who now is under Mr. Strauss, and who participated in the hearings, to write a letter on this subject. I shall read from his letter. Let me say that Mr. Nichols is now in charge, and is a good man. His letter reads in part as follows:

Electric power to serve the Savannah River plant will be generated by 5 on-site generating stations, with a total rated capacity of 156,500 kilowatts, and a total capability of 168,900 kilowatts. These stations will contain 15 generators.

Mr. President, I knew all that, because as a member of the Appropriations Committee, I was contacted with regard to the appropriations for many of those items. I desire to call attention to the fact that we spent \$76 million of the funds of the Atomic Energy Commission for the electric plant, alone, of the Savannah River plant.

So, Mr. President, I supplement my remarks by saying that from what the Department of the Interior has told me and from what the representatives of the Tennessee Valley Authority have testified before the committee—if I can understand the English language—and from what Mr. Plucknett, of the Water and Power Division of the Department of the Interior, has said, the power reserves of the Southeastern States will decline to 3.2 percent in 1957, as compared with 9 percent in December 1954, and 14.8 percent in December 1955.

That is why I am supporting the bill in its entirety, and why I do not favor separating flood control from electric power generation, because I believe that the Members of Congress who go through the long hearings know the problems that must be met in connection with the development of lower cost electricity.

Mr. President, in this changing world, I do not know the answer to the question of what must be done in order to provide ample supplies of cheap electricity. I do not know what private enterprise will be able to do in that connection. I hope it will be able to make cheap electricity available. I wish to be able to help in working out the answer to the problem, but I do not know how private enterprise will be able to obtain the electric power which is needed and will be needed for the operation of aluminum factories and other heavy industries which, 10 or 15 years from now, will be the backbone of business and industrial activity in the United States.

Mr. McCLELLAN. Mr. President, as most of my colleagues know, at this time I am rather completely engaged and occupied with other official duties, so I have not had the privilege and opportunity of being on the floor of the Senate during the previous discussion of this measure. I have left the Senate investigating subcommittee for a few minutes, so that I might come to the floor and address myself to this bill.

I wish to urge my colleagues to vote in favor of passage of the bill as it was reported to the Senate by the Appropriations Committee.

Mr. President, very extensive hearings were held by the committee. After the hearings, the committee met in executive session several nights, in marking up the bill.

Mr. President, the bill as it now comes before the Senate is not all that is to be desired, for the truth of the matter is that, for purposes of progress the bill as now reported to the Senate represents economy in the extreme.

Mr. President, instead of having Congress make appropriations in the amounts reported by the committee, the needs of the United States in connection with this program, and the urgency of those needs, would fully justify the appropriation of several times the amounts recommended. I know that from the situation in my own State.

This program has been very greatly curtailed during the past few years. I think I make an accurate statement when I say that, actually, since 1948 or 1949, we have reduced the appropriations for civil functions by nearly 50 percent of what they were then. So we are making progress in the wrong direction, Mr. President.

These projects are vital to the United States. We cannot build and maintain a strong economy if we do not give proper husbandry to the natural resources with which our country is blessed.

Mr. President, I could speak at length on the general thesis of the need for and on the merits of this program, but I shall not do so.

I merely wish to call attention to one project covered by the bill—not a project in my State, but one which directly affects it. That project is known as Table Rock Dam. I wish to emphasize the situation in the hope that other Senators will consider it from the point of view of the needs of their own States, and will appreciate the necessity for going forward with the construction of this project.

In 1950 there was appropriated \$3 million to commence construction of the dam, which is a multiple-purpose project, and will provide large amounts of hydroelectric power in an area where power is greatly needed for the defense effort and for the growing economy of that section of the country.

After the appropriation of the \$3 million, the engineers began the preliminary work on the project. Shortly thereafter, the Korean war commenced, and the project was suspended, after a little more than \$1,500,000 had been expended on it. The project was suspended at that time because we had to divert our resources and energies to the Korean war.

Following the end of the war, we undertook to have work on the project renewed and to obtain appropriations for it. Last year, Congress appropriated another \$1 million for it. As the bill came to the floor of the Senate, it provided \$3 million, as I recall; but when the bill went to conference, that amount was reduced to \$1 million. That meant that after the initial expenditure had been made, there were available for the project total appropriations of approximately \$2,350,000, the amount that now is available for resuming the work on

the project. However, the expenditure of that amount was held up last year. The conference report required that before any of the money could be expended another power survey be made in the area, to determine whether the need for power there was such as to justify continuing appropriations for the project, in order to meet defense needs and the needs of a growing economy in that section of the Nation.

That survey was made. It was reported back to both Appropriations Committees, and much earlier this year both Appropriations Committees passed resolutions releasing the funds, and ordering and directing that construction on the project be resumed.

This is the situation we face: If this \$3 million additional is appropriated this year, it will mean that this project can be started, according to the Corps of Engineers, by the 1st of November. If it is not appropriated, that will mean another year's delay in getting the project underway, because the amount of \$2,350,000 now available as carryover funds is not adequate, in terms of the size and cost of the project, to justify the Corps of Engineers in letting contracts which it could pay for only with the \$2,350,000. In other words, it would not be economical to proceed on that basis. Therefore, it is necessary, if this work is to be done economically and practically from an engineering standpoint, that the additional funds be made available this year.

I have conferred with the former Director of the Budget, the one who was in office at the time the bill was being processed through the committee. I have his assurance that the Bureau of the Budget does not oppose and will not oppose this appropriation. I related that fact to the committee. It was upon that assurance that the committee acted.

So I can say that this program is not in conflict with the President's program or the program of the administration. Therefore, I respectfully urge that the amount in the bill be retained. We cannot justify cuts. If we are sincere, if we actually wish to perform a service to the country by seeing that expenditures of this character are made on the most economical basis that is practicable, we will not reduce the amount of the recommended appropriations. False economy sometimes results when we prolong expenditures and increase the expense by not making adequate appropriations to enable those who have the responsibility to do the job efficiently and at the least possible cost to the Government.

I support the bill as reported by the committee. I urge my colleagues not to start slashing it. We know that sometimes we must make adjustments in conference. Let us pass the bill in the Senate as the committee has unanimously reported it, so that we can go to conference with the support of the Senate, in an effort to accelerate the program as much as possible, and to develop and conserve the natural resources of our country in hydroelectric power, soil conservation, and conservation of our water resources, as well as control of and protection from dangerous floods.

Mr. President, this program is important, and I hope the amount in the bill will not be reduced.

Mr. KILGORE. Mr. President, along the same line on which the Senator from Arkansas [Mr. McCLELLAN] spoke, I wish to cite two other items which show how shortsighted we sometimes are in analyzing various projects.

There is one project on the Monongahela River, known as the Hildebrand lock and dam. The present locks were constructed in the period 1901 to 1903. Orderly development of the program requires that this project go forward. A flood would put the steel industry in the eastern part of the United States back 5 years. Unless we get started on that dam, that may be the result. The amount involved is merely \$1½ million. It is like other items, in one respect, in that possibly not sufficient study had been given to the project in preparing the budget.

Another project is on the upper Monongahela River. In neither place can there be any substitution. The amount involved for this project is only \$80,000. It would merely complete the plans.

If the Ohio and the upper Monongahela had been canalized, and if there had been the proper locks and canals on the Tombigbee River, we could have saved during World War II several times the cost of the entire operation in transportation costs on fuel alone as well as on other raw materials.

It is poor economy to save a few thousand dollars now and spend a few million in the future. I know how hard the subcommittee and the full committee worked. I hope Members of this body will not attempt to slash the appropriations.

I have been engaged in committee all day, as I was all day yesterday. I have not had an opportunity to hear all the discussion. I hope no reduction will be made in the appropriations recommended by the committee.

Mr. CASE. Mr. President, several weeks ago I happened to be present at a small gathering at the White House, when the President made an offhand remark to the effect that he regarded water as the greatest resource in the country today.

Today he said substantially the same thing in public, at a meeting of the National Rivers and Harbors Congress. I wish to read a press report concerning his informal remarks. The press report states:

President Eisenhower said he is going to establish a Cabinet committee to draw up a water conservation program for the entire country.

Speaking informally before the National Rivers and Harbors Congress, the President said water is perhaps the greatest single natural resource. Unless it is conserved, he said, we might find ourselves a have-not Nation.

He said the only way to do a proper job in water study is to go to the Continental Divide and see where each drop goes from there to the sea.

"Anything less is piecemeal and we should reject it," he said.

To direct the Federal Government's part in such a study, Mr. Eisenhower said he is going to set up a water resources committee on which the Secretaries of Defense, Interior,

and Agriculture will serve. He said they would coordinate their activities with other agencies and groups like the Rivers and Harbors Congress. He said there also will be an operating committee to see that the job is done.

"They will work to the end to make certain that we won't wake up some two decades from now and regret that we didn't act intelligently back in 1954," Mr. Eisenhower said.

I welcome this statement from the President of the United States at this time. I think it is most appropriate that it should be made at a time when the Senate is considering an appropriation bill for the civil functions of the Department of the Army and the Corps of Engineers.

This is one of the bills in which Congress attempts to give real implementation to a program of water conservation and utilization. Congress has passed several such bills in the past year or two, including the bill for experimentation in the desalination of water, the bill establishing a Weather Advisory Commission for the study of cloud and weather modification, and the bill which was passed yesterday in the Senate for the development of very small irrigation and water control projects. This bill, and others of similar character, are bills which really make America. The money which we spend on programs of this kind is invested in the conservation of our resources. The expenditures involved are expenditures for the future of America. For that reason, I give them my hearty support. I welcome this expression from the President at this particular time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the committee amendment on page 3, lines 22 and 23.

Mr. DOUGLAS. Mr. President, this is a very modest amendment. It proposes to save \$2 million. The committee increased the appropriations above those estimated by the Bureau of the Budget by approximately \$14 million in round figures, of which \$4 million was for navigation projects and approximately \$10 million for flood control and multipurpose projects.

The amendment would not affect any flood-control or multipurpose project. It would effect economies of \$2 million in navigation projects. It would split the difference between the amounts estimated by the Bureau of the Budget and the amounts recommended by the Committee on Appropriations, with the Bureau of the Budget being given the power to approve any specific navigation project for which increased funds have been voted.

Several Members of the Senate have spoken of the worthwhile character of the specific projects in which they are interested. All of us could add to their numbers. However, it seems to me that if the projects are worthy, it is undoubtedly possible to obtain for them the support of the Bureau of the Budget.

The English colonial administrator, Clive, once remarked that he was astonished at his own moderation. I am also astonished at my own moderation in dealing with the pending bill. I had

originally intended to ask for a reduction of \$14 million. I am now asking for a reduction of only \$2 million. Hope springs eternal in the human breast, and I hope very much that my colleagues will consent to the proposed reduction and vote enthusiastically for it because, anxious as we are to prevent a recession, this is no time to roll out the pork barrel.

Mr. KNOWLAND. Mr. President, I rise in opposition to the amendment offered by the Senator from Illinois.

In the first place, I wish to refute the allegation he has made that the pending bill is a pork barrel bill. It is very easy to make such a charge, and, unfortunately, a great many persons look upon any public works legislation as being in the nature of pork barrel legislation.

Without fear of contradiction I wish to say that during the period of time that I have served on the Committee on Appropriations and on the Subcommittee on Appropriations dealing with civil functions, the members of the committee have approached the problem from the point of view of what they believed to be the best interests of the country. Time and time again I have seen members of the Committee on Appropriations deal with projects in which they were vitally interested within their own areas in the same way that they treated other projects, and keep additional appropriations for them out of the bill, because they felt that such items should not be included in the bill in the light of the total amount involved.

I know there has been no partisanship in dealing with the pending legislation. In that connection I was interested in the remarks made by the Senator from Arkansas [Mr. McCLELLAN]. Certainly during the entire period of time I have served as a member of the Committee on Appropriations no partisan issue has ever arisen with regard to such legislation.

I pointed out in my opening remarks—and it was also pointed out by the distinguished Senator from Arkansas, who has been a very diligent member of the committee for a good many years—that we held a great many hearings over a long period of time, and that many of the great number of witnesses who appeared before our committee made out very strong cases in favor of projects which would build up the economy of various areas of the country.

Had we accepted the recommendations of these outside witnesses the bill now before the Senate would have contained appropriations amounting to at least \$100 million more than the bill now contains.

I wish to point out also what the appropriations for civil functions have been over a period of years. I shall give the total figures. I have the breakdown for each year, as submitted by the Corps of Army Engineers, and the breakdown will be available in the RECORD. The pending bill as reported by the Committee on Appropriations carries a total of \$484,095,500. The 1954 bill appropriated \$441,593,600. The 1953 bill appropriated \$584,066,600. The 1952 bill appropriated \$632,894,213. The 1951 bill appropriated \$696,565,350. The 1950 bill appropriated \$665,254,190. The 1949 bill ap-

propriated \$648,575,666. The 1948 bill carried \$502,123,912.

During that period the amounts appropriated for civil functions, with the exception of 1 year, were considerably above the amount recommended in this bill.

Mr. President, I ask unanimous consent that the breakdown be printed in the RECORD at this point.

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

Civil Functions Appropriation Acts

Fiscal year	Corps of Engineers	Total bill
1955.....	¹ \$463,359,800	¹ \$484,095,500
1954.....	423,186,600	441,593,600
1953.....	561,906,600	584,066,600
1952.....	616,201,713	632,894,213
1951.....	668,564,650	696,565,350
1950.....	636,504,190	665,254,190
1949.....	580,242,200	648,575,666
1948.....	415,553,525	502,123,912

¹ As reported.

Mr. KNOWLAND. Mr. President, we did make some adjustments in the items which were presented to us, but I believe without exception the committee made adjustments only when there had been made what we felt was an overwhelming case in favor of projects.

As I understand the amendment of the Senator from Illinois, while it is true that it proposes a \$2 million reduction, applied to navigation projects alone, it would give to the Bureau of the Budget the right to determine which of the projects should be included.

I have the greatest respect for the Bureau of the Budget. I had such respect for the Bureau of the Budget in past administrations, and I have such respect for the Bureau of the Budget in this administration; but I do not believe that Congress should surrender its responsibilities to the Bureau of the Budget. Over a period of years the Committee on Appropriations and all the subcommittees of the committee have constantly given great weight to the recommendations of the Bureau of the Budget. We have not, however, surrendered our responsibilities to the Bureau of the Budget. Certainly I do not think we should do so.

Because the Committee on Appropriations has been diligent in considering this subject over a long period of time, including 3 or 4 evening sessions running from 7 until 10:30 at night, and prolonged public hearings, I feel that the amendment of the Senator from Illinois should be rejected.

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

Mr. KNOWLAND. I yield.

Mr. CORDON. Does the Senator from California agree that the amendment offered by the Senator from Illinois [Mr. DOUGLAS] would leave a figure still in the bill of more than \$11 million above the estimates of the Bureau of the Budget?

Mr. KNOWLAND. The Senator is correct.

Mr. CORDON. That being the case, and the amendment having been modified with the addition of the proviso, "Provided, That no part of this appro-

priation shall be used for any navigation project unless approved by the Bureau of the Budget," does not the amendment in effect violate the rule of the Senate which provides that no appropriation can be made which is contingent or conditional? In this instance Congress would be appropriating funds, but would be leaving to the Bureau of the Budget the legislative power to determine whether the appropriation was valid or not.

Mr. KNOWLAND. I believe the Senator from Oregon is correct. As a matter of fact, I believe that a valid point of order could be raised against the amendment in its present form. I do not intend to raise a point of order. I told the Senator from Illinois I would be glad to have a ye-and-nay vote on the amendment. The yeas and nays have been ordered, and I am willing to rest on the judgment of the Senate.

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

Mr. KNOWLAND. I yield.

Mr. DOUGLAS. Is it not true that the recommendation of the Committee on Appropriations with respect to navigation items is approximately \$4 million in excess of the estimates submitted by the Bureau of the Budget, speaking for the President?

Mr. KNOWLAND. The Senator from Illinois is correct.

Mr. DOUGLAS. So, therefore the proposal of the Senator from Illinois is much closer to the proposal of the administration than is the recommendation of the Committee on Appropriations?

Mr. KNOWLAND. It is true that the amendment offered by the Senator from Illinois would provide an amount approximately halfway between the committee's judgment and the recommendation of the Bureau of the Budget. However, I respectfully suggest, in view of the extensive hearings which have been held, and the personal knowledge of the subject of the members of the committee, extending over a long period of years in dealing with civil functions appropriations, that the members of the committee are as capable of determining the needs of projects for the benefit of the country as is the Bureau of the Budget. I felt that way when past administrations were in power, and I feel that way when the present administration is in office.

Mr. ELLENDER. Mr. President, it was my pleasure to hear practically all the testimony before the committee pertaining to the bill, and it is my considered judgment that the committee did a magnificent job in arriving at the amounts recommended. Personally, however, I would have gone even farther. If it had been left to me, I would have increased the amounts considerably, particularly with reference to Red River bank stabilization below Dennison Dam. For instance, as to the Red River bank-stabilization program, the Corps of Engineers originally recommended \$605,000 for this project. The Bureau of the Budget pared that down to \$335,000. The recommendation of the House committee was \$335,000. The Senate committee increased the amount to \$565,000—the amount appropriated for that purpose last year. This

\$565,000 is still less than the Corps of Engineers originally thought necessary.

On the bank-stabilization subject evidence was introduced to indicate that over a mileage of approximately 150 miles, that is, from Dennison Dam on down into Louisiana, almost 2,150 acres of some of our Nation's most fertile topsoil is being swept off into the Red River each year. In addition, there has been an average loss of an additional 10,000 acres or so per year which has been lost to cultivation by virtue of the fact that there must be land between the river and the levees to prevent caving. Taken together, it is obvious that an average of over 12,000 acres of our finest, most fertile topsoil is being lost each year, either directly or indirectly, as a result of the caving of Red River banks.

The Corps of Engineers recommended for appropriation even more than the committee has approved. Even by voting the entire \$565,000 recommended, the Senate will still be providing \$40,000 less than the Corps of Engineers originally requested for this fiscal year.

To be more specific, Mr. President, in regard to the item which my distinguished friend from Illinois is now seeking to reduce, there is one item of only \$1 million which would take care of a project in the Gulf-Intracoastal Waterway, the Plaquemine-Morgan City route. This project, when completed, will save 160 miles of navigation.

This project has been referred to as one of the Nation's most urgently needed. It will reduce from 225 miles to only 65 miles the distance which barges must travel from the industrial areas of the West and Southwest, to the processing centers of the West, and to the Mississippi and Ohio River systems. As testimony before the subcommittee shows, these barges are now forced to utilize a horse-and-buggy section on what is otherwise a marine superhighway. This is obvious when it is noted that the rest of the intracoastal canal system gained about 20 percent in traffic during 1952, while traffic volume on this alternate route—which the \$1 million would begin to bring up to date—is virtually at a standstill.

Let me emphasize that this route will provide a shot in the arm to our system of inland waterways in case an emergency should occur. This is a strategic waterway. It provides an alternate entrance into the Mississippi River, and will result in a net saving of 32 cents per ton on matter transported through it. Those barges which used the present antiquated system of canals and locks which we now seek to modernize actually saved, during 1952, a total of nearly \$700,000 from the amount it would have cost to utilize the longer route. That the present route is antiquated is impossible to deny. I wish Senators could see it with their own eyes. It is a disgrace, besides being one of the biggest navigation bottlenecks in our Nation today. The present facility consists of a dilapidated lock located at Plaquemine, La., which can take care of 2 or 3 barges. The normal canal tows are much larger than that. Sometimes a tow of 15 or 20 barges must actually wait for some 3 or 4 hours before they

are able to go through the lock. This project, in addition to providing larger locks and a shorter route, will make it possible for the expenditure, within the next few years, of millions of dollars, to provide a port facility for the Baton Rouge area. This expenditure will be made by local interests, which are ready, willing, and able to increase their port facilities to meet increased demand. Already the State of Louisiana is currently spending some \$15 million on a Baton Rouge port program.

I am very hopeful, Mr. President, that the Senate will vote to sustain the action taken by the Senate Appropriations Committee.

There is one more item which should be discussed in detail, that is the so-called Ferrell's Bridge Reservoir on Cypress Creek, a tributary of the Red river. This reservoir is an essential component of the entire flood control program for the Red River valley. That comprehensive plan calls for the construction of seven reservoirs, and the creation of a system of levees to protect lands against inundation. So far, only one of these reservoirs has been undertaken—that is the Texarkana reservoir which is expected to be usable this year. The Ferrell's bridge reservoir is the second of these. Let me emphasize that when this comprehensive plan is completed, it is estimated that 90 percent of the flooding incident to the Red River headwater floods will be eliminated. It is a vital program; it is a most necessary program. These reservoirs and these levees will enable us to protect the rich farmland of the fertile Red River valley. We shall be able to protect homes and crops and fields. It is a good investment, Mr. President, and I urge the Senate to approve the expenditure of construction funds on the Ferrell's Bridge reservoir. The engineers say they can initiate construction this year if we make the funds available. I urge the Senate to approve the committee's recommendation.

Not only should we prevent such enormous losses from floods, but, as my good friend from South Dakota [Mr. CASE] has just stated, we should do all we can in order to conserve and preserve our most important resource, which is water.

By the erection of the reservoirs to which I have referred I have no doubt that we can prevent the enormous losses which are suffered almost every year from the overflow of the Red River in that area. Aside from that, the waters will be held, impounded, in these great reservoirs. That water can be utilized to generate electricity, or to irrigate some of the lands in that area.

I am very hopeful, Mr. President, that the pending amendment will be defeated and that the Senate will stand behind the action taken by the committee as a whole.

Let us not forget that each year, the Congress has whittled away at funds for flood control, for navigation, and similar purposes. Each and every year these amounts are reduced and cut back. I fear that unless we reverse this trend, unless we take steps to preserve and conserve our natural resources—our soil,

and our water—we shall leave our children a heritage of wasteland, of eroded acres unable to produce the necessary food and fiber future generations will require. We are overlooking the forest for the trees, Mr. President. To reduce these funds further is to gamble with the most precious of our Nation's natural resources—that is, our precious, irreplaceable top soil. It would be folly to cut the funds recommended by the Appropriations Committee. I ask the Senate to pursue the course of wisdom, and to take the long-range view. The amendment should be defeated.

Mr. MARTIN. Mr. President, I think my colleagues realize that I am for economy in Government, but the improvement of rivers and harbors in my State has for 125 years been an obligation of the Federal Government. We are away behind with respect to many projects. I might illustrate by referring to the Ohio River. There are 53 locks on that river, and many of them are in very deplorable condition. A heavy flood would take several of them out entirely. As I see it, the locks are entirely too small. It frequently takes 48 hours for a fleet of barges to clear a lock.

It may be interesting to the Members of the Senate to learn that an ordinary towboat pushing 9,000 tons of petroleum products from Houston, Tex., to Pittsburgh, Pa., is doing a job which would require 830 tank cars of 8,500 gallons capacity, or 1,300 of 5,000 gallons capacity. If carried by rail it would require 16 trains of 50 cars each. If transported by truck 50 miles of road space would be required.

Mr. President, we do not have the necessary rail capacity or road capacity to transport this enormous amount of petroleum, coal, ore, and commodities of that character.

So, Mr. President, while I am always very sympathetic with the ideas of the distinguished Senator from Illinois to economize in Government, I feel that this is a case where it would not be economy in Government. I believe we can add to our wealth by a better system of transportation.

Mr. President, from the beginning of this Nation waterways have constituted a major source of transportation, carrying materials of all kinds and personnel. It is not economical to deprive us of the use of that fine and economical method of transportation.

Mr. BUSH. Mr. President, I should like to ask the distinguished chairman of the subcommittee if he will give us an explanation of why, in reference to the Housatonic River project, for which \$500,000 for construction was approved by the budget, and for which the House allowed \$500,000, the Senate committee now recommends a reduction to \$400,000. The project is very important to the economy of my State. I am very much concerned about the reduction, and I should like to have an explanation of it.

Mr. KNOWLAND. Mr. President, the total estimated cost of proposed modification is \$1,265,000, of which the Federal cost is \$1,115,000. The budget estimate for 1955 proposed an appropriation of \$500,000 to be coupled with a local contribution of \$150,000 which would

make \$650,000 available for fiscal year 1955. An appropriation of \$615,000 would be required for completion in fiscal year 1956.

The Senate committee recommended an appropriation of \$400,000 which, when coupled with the local contribution of \$150,000, will provide \$550,000 for the first year's construction. Under the recommendation of the Senate committee, an appropriation of \$715,000 would be required for completion in fiscal year 1956.

In view of the fact that predredging surveys must be made, plans must be prepared, bids must be advertised for 30 days, the award must be made, and the successful contractor must mobilize his equipment, much time is required. From a practical standpoint, the reduction recommended by the Senate committee will have no effect on the completion date for the project.

The committee is familiar with the project and agrees with the Senator from Connecticut that it is an important one. I am certain the Senator will find that the committee will be prepared in the next year to move toward completion of the project, and that it will in no sense be delayed into another year.

Mr. BUSH. But it would be necessary, according to these figures, to have Congress appropriate another \$100,000 for the following fiscal year.

Mr. KNOWLAND. That is understood. I may say to the Senator from Connecticut that both during the time I have had the honor of being chairman of the subcommittee, and under the chairmanship of Democratic Senators, when a project has reached a point where a relatively small additional sum of money would enable its completion, it has been the policy of the subcommittee to bring the project to completion.

Mr. BUSH. I thank the Senator from California for his assurances.

Mr. CASE. Mr. President, I desire to address myself directly to the point at issue with respect to rivers and harbors projects. The reason why the committee provided an increase in the schedules which the committee supports, as compared with the amount in the budget estimate, is that there are 2 projects in Alaska, 1 for Kodiak Harbor, in the amount of \$109,885, and the other for Wrangell Harbor, in the amount of \$507,700. Together, they account for more than \$616,000 of the increase above the budget estimate.

The Wrangell Harbor project has a benefit-cost ratio of 3.33 percent which is one of the highest of any I know about. In other words, the benefits from the Wrangell Harbor project are equal to $3\frac{1}{8}$ times the cost of the project. A subcommittee of the Senate Committee on Public Works visited Alaska last August and were deeply impressed by the need for better harbors to contribute to the developing economy of Alaska.

One of the projects is for the improvement of Kodiak Harbor. Kodiak is an island. There is no means of transporting anything in the nature of heavy goods to Kodiak except by water. The harbor at Kodiak depends upon some log and stone wharves which were constructed in the days when the Russians

had possession of Alaska and of Kodiak Island. It is a severe handicap to the development of the economy of Alaska to have to get along with harbors on which no improvements have been made since that time.

The Governor of Alaska, in speaking before the committee, called attention to the fact that local waterways are necessary for the development of Alaskan industry, especially the expanding lumber industry. He said:

We are developing pulp and paper manufacturing plants in Alaska and more sawmills, plywood plants, et cetera. They use the waterways exclusively for the rafting of logs and for the towing of logs into the mills.

The same could be said with respect to the movement of heavy goods. To get any heavy goods into Alaska, it is necessary to use the waterways. There are few modern harbors in Alaska. Congress should be doing much more, in my opinion, than it is doing at present for the improvement of Alaskan waterways and harbors.

I sincerely hope that the Senate will reject the amendment offered by the Senator from Illinois [Mr. DOUGLAS], which strikes directly at the Alaskan projects, because they are included in the group of projects, the funds for which bring the amount appropriated over and above the budget estimate.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois to the committee amendment. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. DUFF] is absent on official business. The Senator from California [Mr. KUCHEL] and the Senator from Oregon [Mr. MORSE] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. KEFAUVER], the Senator from North Carolina [Mr. LENNON], and the Senator from Oklahoma [Mr. MONRONEY] are absent on official business.

The Senator from Nevada [Mr. MCCARRAN] and the Senator from Montana [Mr. MURRAY] are absent by leave of the Senate.

I announce further that if present and voting, the Senator from North Carolina [Mr. LENNON], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Montana [Mr. MURRAY] would vote "nay."

The result was announced—yeas 5, nays 82, as follows:

YEAS—5

Byrd	Frear	Williams
Douglas	Kennedy	

NAYS—82

Alken	Case	Gillette
Anderson	Chavez	Goldwater
Barrett	Clements	Gore
Beall	Cooper	Green
Bennett	Cordon	Hayden
Bowling	Daniel	Hendrickson
Bricker	Dirksen	Hennings
Bridges	Dworshak	Hickenlooper
Burke	Eastland	Hill
Bush	Ellender	Holland
Butler, Md.	Ferguson	Humphrey
Butler, Nebr.	Flanders	Hunt
Capehart	Fulbright	Ives
Carlson	George	Jackson

Jenner	Maybank	Smathers
Johnson, Colo.	McCarthy	Smith, Maine
Johnson, Tex.	McClellan	Smith, N. J.
Johnston, S. C.	Millikin	Sparkman
Kerr	Mundt	Stennis
Kilgore	Neely	Symington
Knowland	Pastore	Thye
Langer	Payne	Upton
Lehman	Potter	Watkins
Long	Purtell	Welker
Magnuson	Robertson	Wiley
Malone	Russell	Young
Mansfield	Saltonstall	
Martin	Schoeppel	

NOT VOTING—8

Duff	Lennon	Morse
Kefauver	McCarran	Murray
Kuchel	Monroney	

So Mr. DOUGLAS' amendment to the amendment of the committee was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment of the committee was, on page 4, line 3, after the word "appropriated", to insert a colon and the following additional proviso: "Provided further, That not to exceed \$750,000 of the funds appropriated herein may at the discretion and under the direction of the Chief of Engineers be used in payment to the accounts of the Confederated Tribes of the Yakima Reservation; the Confederated Tribes of the Warm Springs Reservation; the Confederated Tribes of the Umatilla Reservation; or other recognized Indian tribes, and those individual Indians not enrolled in any recognized tribe, but who through domicile at or in the immediate vicinity of the reservoir and through custom and usage are found to have an equitable interest in the fishery, all of whose fishing rights and interests will be impaired by the Government incident to the construction, operation, or maintenance of the Dalles Dam, Columbia River, Washington and Oregon, and must be subordinated thereto by agreement or litigation."

The amendment was agreed to.

The next amendment was, on page 4, line 17, after the amendment just above stated, to insert the following additional proviso: "Provided further, That not more than \$15,000 of the funds available for the Fall River Flood Control project on the Fall River, S. Dak., shall be available to compensate the owners of water wells in the vicinity of Cold Brook Dam, S. Dak., for losses determined by the Chief of Engineers to have been sustained by reason of lowering the level of water in such wells as a result wholly or partially, of construction and operation of Cold Brook Dam. Losses compensable shall include, but not be limited to, the expense of improving or replacing the affected wells so that an amount of water equal to the amount previously obtainable from the affected wells will be available to the owners."

The amendment was agreed to.

The next amendment was, under the subhead "Operation and maintenance, general," on page 5, line 8, after the word "works", to insert "including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality, or other public agency, outside of harbor lines, and

servicing essential needs of general commerce and navigation"; in line 17, after the word "exceed", to strike out "\$900,000" and insert "\$1,040,000."

The amendment was agreed to.

The next amendment was, on page 5, line 20, after the word "expended", to strike out "\$72,660,000" and insert "\$79,880,000."

Mr. DOUGLAS. Mr. President, I call up my amendment, identified as "5-24-54-C," and ask that it be stated.

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

The CHIEF CLERK. On page 5, line 20, in the amendment of the committee, it is proposed to strike out "\$79,880,000" and insert in lieu thereof "\$76,200,000."

Mr. DOUGLAS. Mr. President, the facts in regard to this item are rather simple. The Budget Bureau originally recommended \$76,200,000, which is the amount provided for in my amendment. When this item was submitted to the House of Representatives, the House cut the requested appropriation by \$3.5 million, to \$72,660,000.

One reason why the House reduced the appropriation was that it was discovered there were \$3 million of surplus funds uncommitted. Therefore, with an additional economy of \$500,000, the House believed the budget request could be reduced by \$3.5 million.

The Senate committee has increased the amount as fixed by the House by \$7,220,000, and increased the budget figure by \$3,680,000. What I am proposing is that the Senate revert to the budget figure, which, if the \$3 million of unexpended surplus funds are taken into account, as listed on page 9 of the House committee report on civil functions, will actually provide for the item, "Operation and maintenance, general," \$3 million more than the budget originally contemplated.

Mr. President, I do not intend to make a lengthy argument on this subject. We took quite a beating on the last amendment, when there were only 5 Senators who favored the proposed cut, as opposed to 82 Senators who voted against making it; and I know the temper of the Senate today.

Mr. President, in line with W. E. Henley's poem *Invictus*, I can say that—

Under the bludgeonings of chance
My head is bloody, but unbowed.

So, Mr. President, I submit this request to the good conscience and the good sense of the Senate.

Let me say that I hope very much that the majority leader, who has been most cooperative in connection with this matter, will again be willing to have the yeas and nays ordered on the question of agreeing to this amendment to the committee amendment.

Mr. KNOWLAND. First, Mr. President, to respond to the request of the Senator from Illinois, I now ask that the yeas and nays be ordered on the question of agreeing to his amendment to the committee amendment on page 5, in line 20.

The PRESIDING OFFICER. Is there a sufficient second to the request?

Mr. DOUGLAS. Mr. President, let me thank the majority leader for making the request. I say most sincerely—although perhaps this is not in keeping with party etiquette—that I have had much more cooperation from the present majority leader in respect to obtaining the yeas and nays on the question of making these cuts than I have frequently experienced in the past. So I wish to thank him for his courtesy.

Mr. KNOWLAND. I thank the Senator from Illinois.

The PRESIDING OFFICER. Is there a sufficient second to the request for the yeas and nays on the question of agreeing to the amendment of the Senator from Illinois to the committee amendment on page 5, in line 20?

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois to the committee amendment on page 5, in line 20.

Mr. KNOWLAND. Mr. President, having agreed to the request of the distinguished Senator from Illinois for the yeas and nays on the question of agreeing to his amendment to the committee amendment, I now rise to oppose his amendment. [Laughter.]

In the first place, Mr. President, the budget item was \$76,200,000. The committee recommended the addition to it of \$2,800,000 for the Delaware River and \$400,000 for the Savannah River, both deferred maintenance items; and then \$480,000 for maintenance of local flood control projects, which we felt was in keeping with the obligations of the Federal Government. We believe that if any changes are to be made in the statutory provisions, they should be made by means of legislation amending the Statutes, and not in connection with the action of the Appropriations Committee of either the House of Representatives or the Senate on an appropriation bill.

Mr. President, with reference to the item in connection with "Operation and maintenance, general," we believe it is false economy to reduce the amount of the appropriation to such an extent as not to provide for adequate maintenance for these great projects, because in the long run to do so could cost the Federal Government much more than the amount required for maintenance.

The Senator from Illinois is correct in his statement that the House of Representatives had estimated that there would be a surplus of funds of approximately \$3 million. But whether that estimate will be accurate will not be determined until the end of the fiscal year.

It is our judgment that both the amount we have recommended and the amount the Bureau of the Budget has recommended are necessary and desirable in connection with the item "Operation and maintenance, general."

Under the circumstances, Mr. President, I hope the amendment of the Senator from Illinois to the committee amendment will be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS] to the committee amendment on page 5, in line 20.

On this question the yeas and nays have been ordered, and the Clerk will call the roll.

The Chief Clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. DUFF] is absent on official business.

The Senator from California [Mr. KUCHEL] and the Senator from Oregon [Mr. MORSE] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Georgia [Mr. GEORGE], the Senator from Tennessee [Mr. KEFAUVER], the Senator from West Virginia [Mr. KILGORE], and the Senator from Oklahoma [Mr. MONRONEY] are absent on official business.

The Senator from Nevada [Mr. McCARRAN] and the Senator from Montana [Mr. MURRAY] are absent by leave of the Senate.

I announce further that on this vote the Senator from Virginia [Mr. BYRD] is paired with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Virginia would vote "yea," and the Senator from Tennessee would vote "nay."

I announce also that if present and voting, the Senator from Montana [Mr. MURRAY] would vote "nay."

The result was announced—yeas 4, nays 81, as follows:

YEAS—4		
Douglas	Kennedy	Williams
Goldwater		
NAYS—81		
Aiken	Fulbright	Martin
Anderson	Gillette	Maybank
Barrett	Gore	McCarthy
Beall	Green	McClellan
Bennett	Hayden	Millikin
Bowring	Hendrickson	Mundt
Bricker	Hennings	Neely
Bridges	Hickenlooper	Pastore
Burke	Hill	Payne
Bush	Holland	Potter
Butler, Md.	Humphrey	Purtell
Butler, Nebr.	Hunt	Robertson
Capehart	Ives	Russell
Carlson	Jackson	Saltonstall
Case	Jenner	Schoepfel
Chavez	Johnson, Colo.	Smathers
Clements	Johnson, Tex.	Smith, Maine
Cooper	Johnston, S. C.	Smith, N. J.
Cordon	Kerr	Sparkman
Daniel	Knowland	Stennis
Dirksen	Langer	Symington
Dworshak	Lehman	Thye
Eastland	Lennon	Upton
Ellender	Long	Watkins
Ferguson	Magnuson	Welker
Flanders	Malone	Wiley
Frear	Mansfield	Young
NOT VOTING—10		
Byrd	Kilgore	Morse
Duff	Kuchel	Murray
George	McCarran	
Kefauver	Monroney	

So the amendment of Mr. DOUGLAS to the committee amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 5, line 20.

LET THE PEOPLE OF ALASKA BE HEARD—PROPOSED REFERENDUM FOR STATEHOOD FOR ALASKA

Mr. MALONE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a petition containing 1,422 names, from Alaska.

This petition was furnished by Alice Stuart, the representative sent from Alaska to the Capital to present it.

The petition contains the names both of those for and those against statehood. It requests a referendum, and time to vote on the issue in Alaska before anything is done by Congress.

The petition is headed "Let the People of Alaska Be Heard."

I ask unanimous consent that the petition, together with the names, be printed in the RECORD.

There being no objection, the petition, together with the names, was ordered to be printed in the RECORD, as follows:

LET THE PEOPLE OF ALASKA BE HEARD

(Population of Alaska, 1950 census, 128,643) (Statehood referendum 1946: 9,630 for (59 percent); 6,822 against (41 percent))

We, the undersigned, citizens of the United States of America and legal residents of the Territory of Alaska, respectfully request another Alaskan referendum on statehood.

We further request that the question be worded very clearly and definitely, in an unbiased manner, such as: "Are you in favor or against immediate statehood for Alaska? In favor ; against ," and that it be placed on the ballots for the 1954 Alaska general election:

Alice Stuart, Rudolph Johnson, Claudia Studebaker, Bruce S. Thomas, Edna Dallas, Robert P. Scott, Joseph Kelly, R. F. Steel, Wm. McConn, Oberta McVeigh, David H. Doxey, M. I. Furlong, Delorez J. Westman, Robert S. Kimball, Harold B. Sutton, Thomas E. Langston, Thelma W. Estorffe, Helen Schworsdall, G. M. Gasser, Mr. and Mrs. H. D. Scougal.

Beatrice G. Steel, Frances Taylor, Lyle S. Clay, Theodore R. McRoberts, Ray Woolfud, Roy Moiuun, Wm. T. Webb, R. A. Grobing, H. S. Booth, Juan Hillman, Mrs. D. W. Eresill, Ell Templin, Elsie Leonard, Jean Graves, Leo A. Schloefelst, Thomas M. Roberts, Margaret E. Gordon, Helen B. Siefert, Edward Davis, Billie E. Rittler.

James Canfield, E. F. Jessen, H. Meminan, John B. Hall, Theodore R. Lowell, Adele K. Chesser, Beatrice Nebel, Ethel J. Lowell, Robert A. Parrish, Harry Madsen, Ernest Johnson, Alice E. Bayless, G. W. Larsen, Dwight, R. Mattix, Juanita Nelson, Julie Stiblo, Mary Lyons, June H. Nordby, Barbara A. Johnson, Mary Garratt McLean, F. J. Jenkins, Barbara Kansky, Sterling H. Cox, Noel Wien, Aladea S. Luele, Elsie May Smith, Anne Wien, Helen P. Leibz, A. E. Hagberg, B. Gruel, Val Gruel, Joanne Rosintreter, Robert A. Wells, Don McCune, Harry Clierk, E. M. Clausen, Duane Hall, Al R. Beasley, Frank Silva, Jack R. Marshall.

Louis Black, Albert Barber, Jack D. Daum, James L. Douthit, John J. Ryan, Alfred J. Ghezzi, W. D. McKinney, Jr., E. T. Bicknell, Paul J. Reiber, Justin P. Whitaker, E. Milburn, Betty Penning, Marian Howard, Leroy Funnell, Douglas G. Bresta, R. Byrd, Elizabeth Bradford, R. Wink, Eugenia Reeve, R. T. Optad, Maurice T. Johnson, Cyril R. Grantham, Marie Warren, Glenn A. Willacy, Ben Shallet, Max Rege, V. E. Brewer, John C. Sloyle, Kathleen Webb, George DeWitt, Margout McCarron, R. McMedy, Kenneth Margaret McCarron, R. McNealy, Kenneth L. Walker, Mary McNealy, Edna F. Isberg, Arvilla Clayton, Margaret A. Goodfellow, Alan D. Sanders, Peter Gatz, Mary Letcher.

Gena Eastlou, Ted Leonard, Monty Parsons, Hilda Denke, Wm. Grafton, Helen Jackson, Robert W. Mote, Mrs. Roy Clubb, Jr., R. Van Hollebbe, R. E. Bowles (Mrs.), Elizabeth Hayford, June Thomson, Wallace Coltant, Jr., Dorothy Hepp, F. J. L. Foley, Beverly Lewis, Meriwether Lewis, Ada Mathes, Tommie L. Johnson, Kitty Royer, Mrs. Betty A. Pope, Mrs. C. B. Thomas, Joy Sibona, Jeneva Lued-

quin, Ruby H. Bye, George Myatt, Ed L. Crawford, Richard Mantys, Keith W. Harkness, Arni M. Lee, A. E. Hayman, Harriet Evan, Blanche L. Pitcher, Stella Hering, James Gallagher, George Hunter, Robert Thomas, Howard O. Thornburg, Joe Mills, Bill Thompson.

Thelma Tipton, James E. Moody, L. E. Linck, Anna Lihich, Christia L. Stewart, Helen Flynn, Sarah Ann Martin, Grace Holitt, A. S. Brown, Eva McGown, Thornton R. Waught, Eleanor M. Waught, Elias Hansen, George W. Blewer, William Roaf Dolan, C. Masters Beaver, Fablan Carey, Don Johnson, Rita H. Jilmur, Mrs. Rose M. Alebriest, John R. Hoerler, E. Jas. Houseeth, Francis P. Baker, Bernard Bringham, Donald Macdonald, III, John Charles Madson, Marvin L. Raam, John A. Bennett, Ivan E. Skaw, R. C. Pittman, Bernard F. Smith, Donald H. Ezinck, Hettie Sager, Lucille Olbin, Frank O. Towne, Mrs. Frank Larson, Janet P. Linesley, Nadine Sausberry, Helen L. Everts, Grace Fisher.

Marchie Janeau, E. A. Janeau, Joe Simpson, Jack Brooks, Joe Platts, Everett W. Hepp, Paul Greimaw, Mary Higlin, Maria Morgan, Harold D. Jarmer, May A. Norelin, Mrs. Joseph J. Thomas, Mrs. John O. Gustafson, Mrs. Harold Sweet, Mrs. Wm. J. Norman, Mrs. W. T. Norman, Mrs. Louise Karstens, Mrs. Loretta Moore, Otheal M. Wantland, Dr. Merrill L. J. Forrest, David Mutchler, Rene Morris, Mrs. Charles B. Hanna, Lillian Helstrom, Agnes C. Wanamaker, Charles H. Stowell, Roy J. Davis, Fran E. Grondin, Phyllis J. Grondin, Mrs. E. B. Woodcox, Eileen Porter, C. R. Siegel, Sarah Assad, C. J. Schaible, Bernice Baker, Earl W. Wymana, Henry W. Hathan, R. M. Fenton, James J. Williams, Jr., Louis F. Bunger.

Mrs. E. R. Farrell, Jack M. Dorsey, Thomas A. Bear, James M. Lord, Fern Martin, La Denna Lumpkin, Lloyd W. Martin, William O. Thompson, Lyle Morris, Clarence Rickey, Betty Gustafson, Marion E. Adams, F. W. Gordon, Ingeborg Huckabay, James R. Hughes, Mrs. Ralph B. Williams, George R. Geary, M. P. Stowman, Beverley Alexander, R. N. Grow, Les Rogers, Bob Gray, Bob Lauderback, Evelyn Feaver, B. L. Stolen, Clyde Burkett, N. O. Bennett, James F. Donovan, Robert Bloom, Jean Casey, Edith Acres, Howard Bayless, C. L. Ladley, H. H. Ungethuen, Helen M. Findley, Herschel Crutchfield, Carl Ludwigan, James F. Hood, Ray Ray Kress, W. F. Lambert, Fred J. Rand, Fred Reed, Red Oaks, H. M. Field, John C. Crook, John R. Lennox, Geanette Proffett, Rounue Wade.

S. A. Eide, Esther M. Midthun, Olga T. Steger, R. G. McCarty, Chas. Metenhanish, William D. Sexton, Henry A. Krize, Russ Fuller, Mrs. D. L. Forster, Mrs. L. O. Mills, Art Stockhausen, Geo. Hellerch, Ayriam E. Snow, Sally Broberg, Selma Snafton, Mary Sturgis, Vitos F. Adams, Marian Davenport, Gray S. Tilly, Matt Lynwood, Vira Nodshilder, R. Leedbetter, J. E. Ojola, J. M. Jorgensen, Clara M. West, Charles A. Gaba, Lois Erickson, Helen E. Edwards, Flora Gibbert, M. B. Bigovich, Patricia Morlen, Dorothy Gunther, Jaep Johnson, Martha Bozeman, Frances B. Cameron, Frances Frazier, Louise M. Shoup, Jay S. Maxwell, Gloria A. Ballard, Dora McCabe, Martha R. Criger, Edith Rode-man, Al Steger, N. L. Multer.

Arne L. Buckley, H. M. Listel, R. A. Warren, Shirley L. Carlson, E. F. Stroesper, Rita Aghaba, Dawson Cooper, Virgil M. Cady, Betsie Anderson, John S. Weston, Myrtle Votruba, Gordon Johnson, Olyvia W. Westcott, Druska C. Schaible, Sylvia Ringsted, Mary F. Brickry, Albert P. Schick, Mary Murray, Donald G. Corcomer, Mrs. James Langton, Merl T. Thomas, V. G. Baker, Ruhaed G. Guintess, Leo Hardy, Floyd P. Gammill, R. N. Shoup, A. L. Hart, A. H. Humpheries, A. J. Sexauer, Mrs. R. T. Ofstad, Harold Christensen, Charles Schiek, Harold E. Mead, Dorothy Hardy, Paul R. Hagelbarger, William

Colombarry, Ruth Hofknecht, Elizabeth Sparlin, R. H. McGiboney, Sr., C. C. Taylor, R. C. Bailey, Vitas Hedums, Lillie B. Smith.

Douglas O. Maddux, Jerry Bader, R. U. Cowgill, Janet Cowgill, Alice M. Baker, Verlie Rank, Wm. S. Watkins, Ralph Conont, Reed Weltzin, Antonio Polet, Andrew P. Brawick, George H. Thomas, James N. McDonald, Mary B. White, Clifford L. Haydon, B. F. Eastwood, Frank C. Jones, Jr., Mildred Tohecton, John F. Frey, Fred M. Wacknitz, Robert Slater, James G. Manning, McWilliam, Gladys Morris, Lawrence G. Baker, Elva Spears, Irene E. Brown, J. E. Ballard, Annela Dans, Frank J. Miller, Tondola Carroll, Howard E. Shaw, Clarence Prasine, Beulah Myers, Tessie S. Kardanoff, Ed Aldrich, Helen L. Frank, Hazel R. Bishop, Verda J. Beckett, Wm. L. Basham, Lina Gerson, Jack McPhee, Verne V. Murphy, Quell Saunders, Mary Williams, Pat West, Evalyn Smith, S. K. Hachell, Beverly K. McQuerney, Grace McHarkness.

George Beck, Richard Frank, Thomas F. Sayles, Anne Strand, Frank E. Glaser, Arthur C. Lue, Douglas B. Colp, Mrs. R. K. Lavery, R. K. Lavery, Ladlyn O'Laughlin, Harriet E. Burgess, Aileen G. Cooper, Henry H. Simpson, William Knight, Pauline Grantben, Davis M. London, C. Randell, Angelina Kelsey, Mrs. M. F. Miller, George Priston, Claire L. Rust, B. G. Sheldon, Dan Redden, Geo. C. Horn, Mrs. Ella C. Lauesen, Robert B. Holitt, Esther J. Schaubel, Melone S. Harns, Douglas McKay, Mrs. E. N. Gurr, Rev. E. N. Gurr, Eva Meloy, Robert H. Meloy, Richard D. Hansen, Donald H. Smith, Jr., Lois G. Tait, Jena H. Forshary, W. L. Hawks, Nuto E. Koponsen, Glenn W. D. Spain, Otto D. Coon, C. E. Osborne, Mrs. C. E. Osborne, E. Glen Wilder, A. J. Douglas, J. H. Horg, Nita Carter, Dorothy Westerberg, Wilma Gale, George Gale, Ed Coffey, Ruth C. Hiel, C. R. Colve, Eva L. White, Wheaton Blanchard, Esther Byrnes, Martha Hoechle, Sharon Murray, M. R. McRoberts.

James R. Woodbury, Vilma Turner, Barbara Hughes, Jim Spring, Stan Caulfield, Johnny Cranjohn, Geo. H. Bentley, Henry Bender, Arthur J. Tordoff, John Yurkovich, Mrs. Ray Barber, William C. Growden, Bertha Novak, Harry K. Gayley, Mrs. Earl S. Yossa, Glenn Baker, Arthur J. Hull, Patricia Chapadas, Elmer Keturi, Edwin C. Gelvin, Francis Walker, Jama M. Hogue, H. K. Casslish, Ben M. Garland, James Mortimer, Riley Baldwin, R. A. Phillips, Marcella Charlton, F. R. Kaesch, C. E. Hogue, R. W. Wint, Portia Roberts, Cecil Suedden, Harry N. Wagers, Hagy Hammond, Donald R. Ostland, Frank J. Woph, Calvin J. Lensink, Bonnie Dale, W. G. Stroecker, Dorothy J. Silva.

Ethel V. Suiian, Dorothy McGrath, Gene Erwin, Don McGee, Mrs. R. R. Harned, Lournetta James, Carl H. Hobbs, Vera A. Myatt, Donna L. Hupprich, Frank Kruze, Elizabeth R. Walker, Mrs. J. W. Pierson, Shirley M. English, Charles V. Garry, Gladys Peterson, Mrs. C. S. Kaufman, Dale Haviland, Milton H. Bell, Margie E. Wier, Otto E. Schallerer, Mr. Edward F. Ginger, John Wright, R. W. McKibbs, W. L. Eastaugh, Clyde G. Sherman, Anton Massin, George B. Case, Ray Wheeler, C. M. Larson, Robert Vrata, Hans Nugaard, John McFarland, Jack Urata, Martin Massin, Hubert M. Williams, John Massin, Ruth Sandvik, Calle Heutze, Edward A. Merdes, Mrs. F. X. Riley, William Moran, B. B. Muller, Frank L. Crosby, Rita L. Moore, Maybelle B. Horton, Anna C. Kearney, Claudia K. Gissberg, D. R. Wilson, Edward L. Poole, James Herbert.

Virginia Newman, Sally Cravens, Lorene Tuengal, Susan S. Chapman, S. M. Molachoff, R. M. MacKenzie, Gerry St. Hilaire, Bomylin Sausard, Sam Green, Stanley Osborne, Rev. Art Grover, Joel Buffington, Oscar Watsjold, Jessica Engelbert, John M. Coleman, Gene C. Kirkpatrick, Mildred E. Kirkpatrick, Sidney M. Urie, Chuck Barrett, Blanche Ball, Don Bume, Grant Chapman, Kenneth S. Eberhart, Jane C. Reed, C. E. Reed, Leona

Chapadas, Marie K. Sellar, Ralph De Long, Jean Riess, Charles L. Ward, Otis Berry, Fanny Joyce, Juanita Davis, Mrs. H. H. Ueely, James C. Phillips, Theodore J. Almasy, Gus Urtilla, Ina Urtilla, Pauline Christensen, Joe Simpson, Marie Worden, Bob Murray, Mrs. B. J. Bingle, Mrs. Ralph H. Weeks, Ralph H. Weeks, Joe Day, Celia M. Hunter, Elbert H. Pitts, E. J. Ulen, Obren Stanis.

Bert F. Kellogg, Mary F. Brickey, G. A. Warden, Robert M. Chapman, Charles R. Pierson, J. G. Schultz, Joy E. Vogler, W. F. Darsh, Norma H. MacDonald, Mrs. P. O. Pederson, Edna B. Garberg, Franklin McGasbey, W. E. Lewis, B. R. Harwood, Gerald Hassan, Rita Mourant, Etta Carroll, V. L. Lofstedt, M. E. Arnell, A. C. Field, Jr., Lucile H. Rigney, Dallas L. Bowen, Bernice Steele, W. M. Matot, Hilan Strusz, Harry A. Wilcox, Rose H. Pollard, Dan Cutter, Mildred Cutter, Gordon E. McCormick, Woode Fern, Albert E. Mode, David Tewkesbury, Irene Roscoe, R. E. Hendrich, Norman C. Brown, John W. Titus, Mrs. Neil D. Beaton, Peter Egrass, Thomas C. Harris, Ralph E. Cunningham, Richard A. DuBean, W. G. Spradlin, Marvin Jones, William J. Gordon, Shirley Lewis Gordon, Pat Tierney, William Trujillo, Harry Knudson, Louis Black.

Everett Karr, Opal Patterson, Helen Fay, A. Schwaesdall, Mrs. Ray Barber, Merle A. Paige, Ernest T. Westman, Mrs. E. C. Hodge, Mrs. C. G. Hodge, Mrs. C. V. Carlson, J. C. Fountaine, Mrs. J. C. Fountaine, C. Victor Carlson, Clifford V. Carlson, Richard B. Webb, Mildred M. Webb, Clarence H. Carlson, Phyllis M. Kidman, Linda Hassel, Mrs. M. Gustafson, Janet L. Ward, Bernie Baker, Mrs. Edw. M. Ludwiczak, Sue Revell, Lois Erickson, Florence Thornton, Roberta Rich, Myrtle Bryant, Marjorie Paulus, Rudolph Smille, Jerry Baker, Sidney L. Cole, Mrs. Dolores Trujillo, Geo. W. Sample, John G. Twomey, I. Leary, Theodore Webster, Guy Tyler, Jeff Wendel, G. L. Hagen, Fay C. Hurley, C. Heurlui, Sanford L. Davis, Pearl Laska, W. C. Ledbetter, Edna L. Koran, Glenn E. Baker, Ruth O. Neff, Lucille L. Love, Sally L. Canoro.

Donald G. Bell, M. L. Richardson, Lloyd H. Pike, Thomas J. Hickman, Joseph Evans, John H. Manning, Merl H. Thomas, Eugene P. Erickson, Mrs. Robert E. Rice, Mrs. Don Hulshizer, Mrs. Jas. W. Harmon, Mrs. David Cantrell, H. B. Walker, Eldon K. Gilmer, Earnest G. Carter, A. B. Hazzland, Mrs. Claudine R. Mickoff, Dale Haviland, E. V. Russell, Marjorie Scudder, Thos. A. Fannin, A. J. Ritschke, J. Mattoner, Floyd O. Akin, Charles S. Bagley, Jane R. Dorch, Hugh B. Tatem, Robert Sandstrom, Lewis J. Wynne, Dorothy Pursley, R. T. Schultz, H. R. Herning, Richard A. Haselton, Walter Belling, James R. Hughes, Robert E. Rice, John Romanoff, J. P. Hodgson, F. N. Gardner, A. G. Montgomery, Ernest A. Paul, Eleanor R. Downes, Jack Dawdy, Donald Conner, James W. Dalton, James R. Maloney, Charles Mullins, James E. Stevens, Roy Kuhl, V. C. Galvin, Mrs. T. O. Morgan.

Joe Martin, Mabel L. Smith, Ralph Tobar, Luella Roberts, Jack Machett, Cathryn E. Anderson, Alfred G. Bourne, Muriel E. Johnson, Myra McDonald, Mary G. Kizer, Frank Feeman, Bob Belyard, Gaye E. Lilly, Dorothy Sheldon, J. P. Triber, A. E. Pedersen, C. W. Luther, J. L. Mackestad, Robert L. Kelly, Wheaton Blanchard, Arthur H. Purdy, Joseph P. Donohue, Louise J. H. Boucher, Clara J. Davis, Michael S. Becker, J. C. Doyle, Jack E. McFarland, Chester E. Zinger, Chas. G. Burdick, Mary B. Barrer, Taukalb Critcher, Allen Shattuck, Carter S. Skatbert, Bert Baner, Felix Gray, Jennie S. Hartman, Helen T. Wonsler, C. Morriarty, Dorothy B. Henry, Kenneth M. Shaffer, B. Simonson, Lloyd B. Miller, S. R. Kern, Norman Uitkken, Charles S. Knippi, Anita Dufresne, Mrs. Percy E. Reynolds, David A. Horton, Rev. Merrill Sulzman, John S. Mansuy, Jr.

Al McCuen, Douglas E. Brown, J. Edward Waddell, Glen Davidson, Preston Boggess, Paul Rees, Richard W. Clegg, Ernest H. Carl-

son, P. D. Waugh, L. L. Maxwell, C. K. Brogdon, Ralph B. Nevills, Homer D. Benston, Wm. Peterson, Olin Coip, George D. Stevens, Nelson R. Holland, Arthur E. Pedersen, Kenneth Watkins, J. R. Sherwood, Jr., E. E. Williams, Larry O. Woods, Ralph Brown, Muriel E. Fennell, Leverett N. Miller, Wm. W. Elliott, Iver L. Ossander, Joe Perrin, Ermon McFarland, Richard Peacock, Mrs. R. H. Bain, Mrs. Richard Peacock, Wm. A. Smith, Lloyd C. Olsen, Eleanor M. Arscott, L. G. Anderson, Paul Lemire, Marie Sarazin, Maxine Eckhardt, Mrs. Harold Lee, Jr., Katherine Wintther, Wilma Henderson, Mrs. Tom E. Thompson, Mrs. Daniel S. Westerberg, Mrs. Ted Reynolds, Mrs. N. Tate, V. E. Lemke, Mary Smith, Charlotte Schwartz.

Edward L. Clemons, Norma J. Tenjgard, Bernice Stokle, E. J. Haugen, Wilma Oines, James Hammer, J. Taylor, Andrew Wikan, Eiling Nicholson, Knut Thompson, Lester L. Wingard, Elsie Clausen, Patricia Concannon, Dorothy Wingard, Martha Harrff, George C. Beacon, Myrtle B. Sarusla, Violet Mitrovitch, Joe H. Ashby, Carene M. Franklin, Edith Bradshaw, Cleo Campbell, Warren C. Christianson, L. E. Theeke, Faith F. Christianson, B. O. Boettchelor, Frank Richard, Malcolm Dennard, Don R. M. Scow, Henrik S. Bredut, Ruth Hodge, P. A. Haugen, A. J. Petrabor, Jr., Carl Wallenberg, H. G. Thorburn, Clyde Peterson, Thomas Jackson, L. W. Peterson, Bertha Surret, Dorothy Richard.

Harry T. Doran, Charles W. Olson, Thomas K. Linnett, O. R. Rutherford, Gertrude Wood, Wilma McClain, Helen Rutherford, Vilma B. Sawela, Huldah F. Richard, Ruby Spears, Hortense Lanier, V. O. Jasper, E. T. Meyer, Virgie Meyer, A. M. Anderson, Ted Kettleson, D. M. Ramsay, C. E. Wortman, Geo. A. Nicholson, Margarete De La Hunt, Ruby A. Rottluff, Marjorie Cruiger, Charles Tuerigel, Mabelle Green, Thomas F. Pitson, Wm. Lindquist, W. W. McDonald, U. S. Deilson, Robert McDonald, Mabel F. Tilson, Hopewell R. Rands, Hazel M. Olsen, I. Caroline Sing, Luella Smith, Beatrice Baugh, Betty Gutienz, Stella Martin, Daisy Jones, J. F. Schmen, Harold Veatch, Constina C. Veatah, Paul R. Pelker, S. Bradshaw, W. P. Wyres, Keith B. Snowden, Albert Dennard, Elsie Beauchamp, John Hollis, Ruth Salazar, Will Anderson, Harold O. Malone, Katherine H. Barnhard, Anna Belle Appling, A. I. Cropley, Wm. L. Hall, Jessie Halterman, Wm. Spears, Geo. Mijasato.

Loretta A. Nygaard, C. S. Nygaard, Roger Lang, Jerry Lang, Geo. P. Hughes, John W. Jense, Gibson Young, Calvin Spaiegle, Raymond Neilsen, Sr., Alfred Apodruk, William E. Arthur, John Shoter, H. Eldon Ridley, Joseph E. Howard, Sr., Lloyd J. Sutton, Albert C. Nielsen, John Sam, Jr., Robert E. Thurman, H. W. Sulser, Philip W. Moore, Leslie Yaw, James C. Rivehart, Roland B. Wurster, Fern Ruth Gable, Caroline Yaw, Henry H. Chapman, Joe H. Appling, D. C. Chortvia, Chas D. Shofried, Marguerite Reed, Marvin Clinberg, Sr., Edwin L. Reed, Norme Daeue, Martha P. Cushing, Albert Brookman, Bernhard J. Rigling, Mack C. Rigling, Lee Richard, R. L. Shackelford, I. E. McDonald, C. W. Dean, Margaret B. Fidaroff, Fred R. Glover, Steve Kansky, Anna Leora Wright, William H. Wright, Phil Johnson, Cyril A. MacHahan, E. A. Avant, Jane Bushey, Arthur Lambert, Alice M. Smith, John A. Hauser, Helga M. Parent, Thomas S. Smith, Glen Dillard, Mattie W. Schaller, Douglas W. Becker, Eileen Porter, W. Robert Fink.

Faye Connolly, Ruth A. Christensen, Marjorie C. Roger, Harley W. Wilson, Walter I. Dahl, Thelma Hardsely, Louise N. Marx, Harley A. Baker, Alfred C. Loose, R. M. Winslow, Carl A. Grencl, Leonard J. Mucciacian, Henry O. Martin, Charles S. Harvard, O. E. Abdill, Kay W. Dandsen, Violet Joan Gohren, Mrs. James Mitchell, Mr. Eric Hard, Mrs. Eric Hard, Oliver V. Kola, Philip M. Wilcox, Paul B. Stout, Joe V. Tuft, J. L. Houck, Charles O'Brien, Norine E. Leedom, Mrs. E. N. Berato, John Vandike, James C. Pfeiffer, Eleanor W. Stevens, David B. Ring, Betty J. Brinkurst, Marion Alpuis, Genevieve A. Hazel, Paul D.

Goodrich, Leila Lovett, F. J. Brown, Lona M. Binger, Marion D. Recknor, Beatrice Fisher, W. M. Webb, Betty M. Luther, Adah Laisure, Dorothy J. Potter, Rasmus Simonson, Sumner C. Lesh, Gilbert G. Whitehead, F. W. Shellhorn, Patricia Kling.

R. C. Barnett, R. R. Robinson, Nancy A. Ellis, Dorothy O. Hassinger, Olive Batix, Mrs. Jack Fisher, Mavis B. Conte, H. J. Campbell, H. L. Johnson, Irene H. Anderson, Bertha Jones, J. R. Hall, Robert E. Barnett, Mrs. John Parsons, Mrs. Larry Moore, Miss Ellen Cronin, Mrs. John R. Gilliland, Karl L. Hopper, Marie Griffith, Esther Foster, Jack E. Snyder, Laurence E. Sandison, Frank E. White, Joseph R. Painter, Edward B. Ladd, Ted Lockhart, Grace Vogter, Lelf L. Vogter, Thomas H. Wagner, Virginia H. Wagner, Clarence Williams, Frances Peterson, Marilyn Barks, Mrs. Aleen J. Fowler, George Axtell, Rena A. Erickson, Maxine Bray, Hazelle Baily, John Giboney, C. Fred Long, Leon J. Brachu, James E. Conner, Lyle E. Hays, George C. Carrick, J. P. Taber, Don Brennan, Mrs. W. E. Franklin, Herman L. Cotter, Sherman W. Small, Jesse W. Lowman, Jack Joiner, R. E. Clark.

Oren E. Girdley, Ethel W. Tonseth, William P. Thomas, Richard C. Cassell, Mrs. R. G. Billberg, Mrs. H. E. Buzby, Mrs. Irene McKenzie, Mr. Don E. Johnson, Robert J. Rogers, Nadine Templeton, W. E. Fry, Einar H. Moen, Bernice Buchanan, Bob Miller, H. Francis, Rose N. Cowles, F. A. Cobb, Hulda Elieff, A. D. McIntyre, L. W. Beyer III, Charles William C. Ward, Gertrude B. Ward, Hortense Landreu, C. B. Miller, J. T. Bayless, Bob McQuin, Thomas Hall, Ralph C. Bailey, Henry R. Green, Lulekera Green, Anita Bredlean, W. C. Bredleau, Thomas P. Brower, H. S. Wanamaker, Alice Stryken, Harold M. Thompson, Jack B. Bruce, Vernie B. Shanks, H. K. Alridge, Gene Rogge, Anthony A. Alston, Ralph Persenger, Ralph M. Williams, Charlotte Canfield, Melvin Bovincamp, Slim Blood, Bjarne Rune, George C. Clayton, Floyd Tuckness, Betty Mehl.

Laura R. Bowman, E. P. Bowman, Adam Wilson, Clell E. Bacon, Ruth E. Bacon, Ina Paulson, Martha Olsen, Bert M. Olsen, Gres Nelson, H. K. Carlisle, Mrs. Robert W. Slater, Mrs. V. L. Plumondore, Joseph R. Corie, Orville C. Mathis, John M. Maitland, Henry V. Willman, Dale H. Raustead, N. L. Benson, John M. Olsen, John S. Holmes, E. L. Roberts, Rev. George Boleau, J. Jay Bickel, O. C. Cameron, Mike Mrkaich, Victor Hart, Gerald Claus, Clyde Burkett, Donald A. Clark, Virginia Clark, Robert C. Frodick, Jerry Jack, Jui Sitrosra, Elmer J. Stafford, Kenneth Goshen, E. Helsing, H. Machanski, W. C. Gooch, Thomas J. Bastrom, Thomas C. Spencer, Arthur Vch, R. O. Tuter, Carl Strass, Suco Mustomas, Nellie Beck, John W. Mill, Edu Fleider, James F. Clausen, Mrs. Edward Kasalek, P. O. Pederson, Pearl Leona Pederson, Jack H. Long.

Frank T. Fleshman, Robert Shell, Virginia Gilmore, Kenneth V. Preston, Wm. G. Furnish, Warren D. Shelle, Bity Mallard, Jeffrie Jacob, T. J. Broderick, W. E. Carter, J. S. Gudschinsky, Gene V. Sager, Arthur S. Power, Ira B. Muphee, Charles G. Mayse, J. L. Alter, E. L. Plunkett, E. J. Akeson, Otis Berry, Jr., Howard C. Sparks, Wm. T. Anderson, Jorene S. Anderson, Arthur Bryant, Mary Ann Schanafelt, Mattie B. Wilhoite, M. LaRue Derr, Mollie L. Bogger, Dorris Randall, Gerhard E. Dornath, Ted Ferry, Ross Simpson, Carl Strass, Elsie Dahl, Fritz Wien, Tom Canafax, Harry F. Hoerbeer, C. Y. Green, Arta Conant, P. H. Russell, Wayne J. Dillon, Geo. Karis, Isabelle Kramer, Edwin A. Rozanski, Woodrow Huston, Emil Nissiner, James R. Anderson, Charles P. Rees, Maude Goronoff, Robert E. Nickels, Bob M. Briej, Margaret Hill.

Patrick H. Hart, Leslie W. Almqvist, Myra F. Rank, Joyce Nesland, J. Ellsworth McCarthy, Mary R. Miller, Charlotte T. Kubon, Colin MacDonald, Clyde Geraghty, Eddie Dean, Milton E. Wetherill, F. C. Sellar, Judith A. Merrill, Robert McCaffey, James U. Cornwell, S. J., Bruce L. Neeley, Daniel Carlsen,

Jack Moran, Wm. J. Lebbe, Jack Little, Mrs. Pearl Kendall, J. R. Miller, Bill Benton, Daniel M. Signore, Henry Kinney, Mrs. Carall B. Rymel, Mr. Amos P. Rymel, Mrs. R. A. MacDonald, Karl P. Carlson, Steven Random, Matt Hermesen, Patrick Savage, Marquee Haggland, Hans Leichmann, Sarah Thompson, Norman M. Jones, (see No. 1263, Mertie L. Baggen, two with same number No. 1263), Wilton L. Rodgers, N. Jack Benson, Jr., Howard McInerney, Terry Dihls, Walter G. Lyon, Dave Tozier, Edwin D. Eddy, Albert P. Thomas, Chas. R. Moore, C. L. Warnstaff, Boon M. Ayres, Dorothy Keber, James H. Russell.

S. O. Gardiner, R. E. Fury, James B. Murphy, Otis Warren, Edward Warner, Mrs. A. M. Swarner, Mrs. C. E. Isberg, Frank Thomas, Frank Presto, Cecil W. Benson, John A. Carlson, James E. Tomis, Joe M. Adams, Mary Hill, Louis Kocchak, Frances Kocchak, Margaret Popescu, William Siemens, C. W. Detrick, Mathilde Link, Robert R. Blodgett, Clair L. Bailey, Tom P. Cole, Joan Smith, Robert Mosley, Robert J. Coe, Jr., Edith P. Bullvek, William Becker, Edith Hamilton, James Kinney, Roy V. Johnson, T. Joe Bruynole, Frank Jones, Sylvia M. Quest, F. M. Schadde, Roy L. Isackson, Frances L. Isackson, Iris M. Bayless, Fred C. Christensen, Ralph N. Paden, Wm. G. Ollikainen, Mrs. J. S. Stewart, Effie Kakrine, Jean Walker, Olyvia W. Westcott, F. Kruse, Virginia Bracies, Faye Alderton, Reinald Lahti, Taimi Lahti, William W. Bacon, Blanche Cassadin, C. C. Leasure, Leah Rowan, Howard W. Hein, Wyman Frantsch, F. J. Phillips, M. D. A. Burlingame, Henry Theriault, Mrs. Gordon Halupszok, Asher B. Richardson, John E. Ritter, George C. Sheldon, W. J. Smith, Ethel Norris, Mrs. Frank H. Mapleton, E. R. Farrell, Sam Gambelin, E. J. Mann, R. L. Rutt, James Nalks, Sr., W. R. Kirkpatrick, George J. Miscovich, Bill Meldrum, Eric Sto, Ole Nord, E. C. Wallace, Om C. Selid, Harold C. Desper, R. F. Roberts, Stuart S. Mackormiak, Chase Hoss, Mrs. Marvel M. Holte, R. P. Brown, Steve Nerod.

Mr. MALONE. Mr. President, hearings have been held on this subject at various times during the 8 years the junior Senator from Nevada has been a Member of this body, but the people of Alaska have not had an opportunity to vote on this issue for a considerable time.

While the population of Alaska has been variously quoted as 175,000 to 200,000, the actual population, not including members of the armed services, is reliably reported to be nearer 132,000.

The junior Senator from Nevada believes that the 1,422 people represented by the signatures on the petition should have their way, and that a referendum should be called in Alaska for the people to have their say before the Congress takes action.

Mr. President, the senior Senator from Nebraska has introduced a bill that would provide for the election of their governor by the Alaskan people and for their writing their own constitution within the purview of the Constitution of the United States. The junior Senator from Nevada has introduced a similar bill for the Territory of Hawaii. The Congress has already passed such legislation for Puerto Rico and they are happy with it.

ADDITIONAL FUNDS FOR COMMITTEE ON THE JUDICIARY—REFERENCE OF RESOLUTION

Mr. LANGER. Mr. President, yesterday there was reported from the Committee on the Judiciary Senate Resolu-

tion 252, calendar No. 1392, providing an additional \$10,000 for the same use and for the same purpose as provided in section 134 (a) of the Legislative Reorganization Act of 1946.

I ask unanimous consent that Senate Resolution 252, to provide additional funds for the Committee on the Judiciary be referred to the Committee on Rules and Administration.

Mr. JOHNSON of Texas. May I inquire as to the nature of the unanimous-consent request?

Mr. LANGER. It is the usual request to refer the resolution to the Committee on Rules and Administration. The resolution would provide additional funds for the Committee on the Judiciary. It was reported by the Committee on the Judiciary, and the request now is that it be referred to the Committee on Rules and Administration.

Mr. JOHNSON of Texas. I ask the Senator from North Dakota to withhold his request until I have an opportunity to confer with the ranking minority member of the Committee on Rules and Administration.

Mr. LANGER. My request is that the resolution be referred to the Committee on Rules and Administration.

Mr. KNOWLAND. As I understand, the resolution has been reported by the Committee on the Judiciary, and the Senator from North Dakota is now asking unanimous consent that it be referred to the Committee on Rules and Administration, under the rule.

Mr. LANGER. The Senator from California is correct.

Mr. JOHNSON of Texas. I ask that the Senator from North Dakota withhold his request for the time being. I shall try to clear up the matter before the Senate recesses today. The distinguished Senator from Arizona [Mr. HAYDEN] has previously objected to such a procedure until the resolution in question has been on the calendar for a day. I shall attempt to work out the matter and confer later with the majority leader.

Mr. JOHNSON of Texas subsequently said: Mr. President, I have conferred with the majority leader and with Senators on this side of the aisle since the distinguished chairman of the Committee on the Judiciary made his unanimous-consent request. There is no objection on this side of the aisle. Therefore, I ask that the unanimous-consent request made by the Senator from North Dakota be considered again.

Mr. KNOWLAND. Mr. President, I should like to state also that the resolution has been on the calendar for 1 day, and therefore the request of the Senator from North Dakota is in compliance with the rule of the Senate.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from North Dakota? The Chair hears none, and the resolution will be referred to the Committee on Rules and Administration.

PROPOSED AMENDMENTS TO DEFENSE APPROPRIATION BILL

Mr. LEHMAN. Mr. President, on behalf of myself and the Senator from

Massachusetts [Mr. KENNEDY] I submit amendments intended to be proposed by us, jointly, to the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes. I ask that the amendments be printed in the RECORD at this point as a part of my remarks.

There being no objection, the amendments submitted by Mr. LEHMAN (for himself and Mr. KENNEDY) were received, referred to the Committee on Appropriations, ordered to be printed, and to be printed in the RECORD, as follows:

On page 50, between lines 2 and 3, insert the following new section:

"Sec. 738. No part of any appropriation contained in this act shall be available for the transfer of the Army Quartermaster Purchasing Agency from its present location in New York, N. Y., to Philadelphia, Pa., or any other place."

On page 50, line 3, strike out "738" and insert in lieu thereof "739."

Mr. LEHMAN. Mr. President, the effect of the amendments would be to prohibit the spending of any money for a transfer, already announced by the Army Department, of the Army Quartermaster Purchasing Agency, now located in New York City, to Philadelphia.

I am aware, Mr. President, that the amendments might be considered legislative riders on an appropriation bill. On general principle, I am opposed to legislative riders on money bills. I think that legislation ought to be taken up by the appropriate legislative committees. But in this case, Mr. President, there is no other recourse.

This is the only way which seems to be available to prevent a grave injustice from being perpetrated on the city and State of New York, and a development of harmful effect upon the State of Massachusetts, among others.

I hope that the Senate Appropriations Committee will give all proper consideration to the amendments, and approve them. I hope the committee will look thoroughly into the situation which these amendments are designed to cure.

I wish to assure the Senate, as I shall assure all those adversely affected by the Army's unwise decision to move the Quartermaster Depot out of New York, that I intend to bring the amendments up on the floor of the Senate if they are not adopted in committee. I propose to insist that we be given a full justification for what appears to be, Mr. President, a discrimination by the executive branches of the Federal Government against New York State and the northeastern section of the United States.

The proposed transfer of the Quartermaster Agency from New York to Philadelphia is not an isolated case. It appears to be part of a consistent pattern. I must oppose the further entrenchment of that pattern. I shall clarify this argument in a moment.

The Army Department claims that this move is dictated by considerations of economy. As far as I am concerned, the Army has not proved its case on this ground by any means. But I want to say, Mr. President, that economy can become

a shibboleth, a kind of fetish, or voodoo, which can distract attention from the real substance of what is being done.

In the name of economy we can dismantle a great many of our military and defense installations. Instead of having many military camps, we can establish one huge military area in which all our forces would be concentrated. That would be cheaper, but it would defeat some of the main purposes of defense.

Consolidation of facilities for purposes of economy is a sound concept—if the savings are demonstrable. But consolidation by stripping all facilities from one area in favor of another is not only false economy, it is socially and practically unwise. It is discriminatory. It is penny-wise and pound-foolish.

The economic situation in New York State and in the Northeast generally is not altogether wholesome. These are danger signs. There is unemployment. There is anxiety. To meet that situation by a further shut-down, by the transfer of an agency employing 1,600 people is to aggravate an already unsatisfactory situation. There is no adequate justification for it. As for the human factors involved—which must be taken into primary consideration—I shall refer to them in a moment.

In summary, my reasons for proposing the amendments and for opposing the transfer are as follows:

First, the decision of the Army Department to remove the New York Quartermaster Purchasing Agency from its present headquarters at 111 East 16th Street, New York City, to Philadelphia, will mean an intensification of economic distress which has been felt in and around New York for some months. Many wage earners who will be unable to move their homes and families to Philadelphia will become unemployed.

Many of these individuals have been employed by that agency for years. This is not the time to uproot them, or to turn them out on the streets, unless there is convincing justification, in the national interest, for such a move. There is a decreasing amount of Federal employment available in New York. There are few jobs which are open or can be expected to be open for these Federal civil servants.

Secondly, this move will work a hardship on all the business firms which have been dealing with the Quartermaster Agency. These business firms are not only in New York, but also in Massachusetts and elsewhere. New York is a pivotal center of trade—the greatest in the country. Firms from all parts of the country have sales offices in New York. The removal of the Quartermaster Agency from New York will create difficulties for all the firms which have been, in the past, supplying that agency. Inevitably, some of those firms will be unable to continue their business with the agency.

New York and New England are in enough of this kind of difficulty already. Low wages have been attracting our manufacturing firms to other areas of the country. Now the Federal Government proposes to accelerate the difficulties we have been confronting in this respect.

Thirdly, this is not the first important agency of the Government which has, within the last year, been either closed or removed from the New York area. The Voice of America has been transferred; the Naval Clothing Depot has been closed down; and the Brooklyn Navy Yard has been considerably reduced in size and workload. Now it is even reported that the New York office of the Army Signal Corps may be transferred. The Army claims that economy and consolidation are the aims of this transfer move, but I ask my colleagues in this body why all alleged economy and consolidation by the present administration must be at the expense of the people and economy of New York.

Fourth. The method by which the Army officials determined and announced this move in itself justifies the introduction of this amendment. The New York City congressional delegation had been assured by the Army that it would be given an opportunity to review the situation before a decision was reached on the transfer. Yet the Army on May 3 told some members of the New York delegation, just before issuing a press announcement of the move, that the decision had been made. Subsequently we were also told by a top civilian official of the Army that that decision was irrevocable as far as the Army was concerned.

I have been informed, Mr. President, that the suddenness of this announcement was a result of urging on the part of some Members of Congress from the Philadelphia area who urged the transfer because of unemployment in their section. I sympathize with their problem, but I cannot accept a solution which would penalize New York in the process. The welfare of New York, Mr. President, is not to be considered expendable. Increased unemployment in New York will not help the Nation. It will not help Philadelphia. This move is not in the national interest.

Therefore, Mr. President, I hope that at the proper time the amendments to House bill 8873 will be approved by the Senate and by the Congress.

MENOMINEE INDIAN TRIBE OF WISCONSIN

The PRESIDING OFFICER (Mr. GOLDWATER in the chair) laid before the Senate a message from the House of Representatives insisting upon its disagreement to the amendments of the Senate to the bill (H. R. 2828) to amend the act of Congress of September 3, 1935 (49 Stat. 1085), as amended; asked a further conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. D'EWART, Mr. HARRISON of Wyoming, Mr. BERRY, Mr. ENGLE, and Mr. ASPINALL were appointed managers on the part of the House at the further conference.

Mr. BARRETT. Mr. President, I move that the Senate further insist upon its amendments, agree to the further conference requested by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BUTLER

of Nebraska, Mr. WATKINS, Mr. DWORSHAK, Mr. ANDERSON, and Mr. LENNON conferees on the part of the Senate at the further conference.

CIVIL FUNCTIONS APPROPRIATION BILL, 1955

The Senate resumed the consideration of the bill (H. R. 8367) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1955, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I wish to speak briefly on behalf of one specific item in the civil functions appropriation bill recommended by the Senate Committee on Appropriations.

This is the recommended appropriation of \$1 million for Ferrell's Bridge Reservoir.

This project, authorized in the Flood Control Act of 1946, provides for construction of a dam across Cypress Creek about 9 miles from the east Texas town of Jefferson.

Ferrell's Bridge Reservoir is an essential component of the authorized Red River flood-control and levee improvement plan for the alleviation of floods in the Red River Basin below Denison, Tex.

Like many other sections of Texas, this area suffers from a recurrent cycle of devastating drought and disastrous floods. The Ferrell's Bridge Reservoir project would attack both aspects of the water problem as it affects important areas of Texas and our neighboring State of Louisiana.

Between the years 1843 and 1900, the Red River was subjected to six great floods. Since 1900, serious floods downstream from Denison have occurred in 1908, 1938, and 1945. These floods caused great damage to crops, heavy loss of livestock, extensive physical damage to levees, railroads, highways, industries, rural and urban developments. The 1945 flood resulted in estimated damages of \$16 million, of which crop losses accounted for \$6.5 million.

In the 20-year period from 1927 to 1946, 45 lives were lost in the area and property damage due to major floods totaled \$113,700,000.

Assuming recurrence of experienced flood cycles, operation of the reservoir levee plan would eliminate more than 90 percent of flooding incident to Red River headwater floods.

Proper flood protection of the Red River Basin is important to national defense and to essential domestic commerce.

This area is highly important in the production of food and fibers.

It is the site of numerous industrial plants, many of primary importance to the national economy.

It is the location of such military installations as the Red River Ordnance Works near Texarkana, and Barksdale Air Force Base and Louisiana Ordnance Works near Shreveport.

There is a vital need for going forward with this project. Municipalities and industries in the area already are facing water shortages. This problem will grow even greater as development of the area continues.

Total estimated cost of Ferrell's Bridge Reservoir is \$20,900,000, including construction and land and dams. To date, the sum of \$514,000 has been appropriated for planning. The necessary planning is now complete. The project is at the stage where construction can be, and should be started.

Mr. President, we cannot afford to continue the waste that would result from abandonment of this project or from long delay in pressing it to completion.

Completion of Ferrell's Bridge Reservoir would meet the two-fold need for additional water supplies and for adequate water control.

I urge approval by the Senate of the \$1 million appropriation recommended by the committee to start construction on this project.

I wish to express the gratitude of the people of Texas, and I am sure I speak for the people of Louisiana and Arkansas, as well, to the chairman of the subcommittee for the consideration he accorded those who testified with reference to the project. I wish to express my gratitude, also, to the committee for including the project in the bill, and I am hopeful that we shall be successful in retaining it in the conference.

Mr. KNOWLAND. I thank the Senator from Texas.

Mr. DANIEL. Mr. President, will my colleague yield?

Mr. JOHNSON of Texas. I yield.

Mr. DANIEL. Mr. President, I wish to associate myself with the remarks of my colleague and to express to the committee my appreciation. I also wish to express my commendation of the committee for recommending an increase in the amount for flood-control studies. I believe that over the entire country studies should be made with reference to future works for protection against disastrous floods, such as those which have been described by my colleague.

I hope the \$1 million will be insisted upon as a minimum amount to be spent toward flood-control studies for the future.

Mr. JOHNSON of Texas. Mr. President, I concur wholeheartedly in the observations made by the distinguished junior Senator from Texas. I think the committee acted very wisely in increasing the fund for survey work. Citizens all over the country are asking that surveys be made of rivers in their areas. The work is away behind. I hope the House will see the wisdom of the action taken by the Senate with reference to this subject.

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

Mr. JOHNSON of Texas. I yield.

Mr. CLEMENTS. Mr. President, I wish to associate myself with the remarks made by the senior and junior Senators from Texas. I commend the committee for its wise judgment in increasing the appropriations for planning work to the extent they have done so in the pending bill.

I live in a State having many rivers which, because of the occurrence of floods, are hazards to various communities, but I have every reason to believe that the engineers will take proper no-

tice of the needs of such areas in connection with the amount appropriated in the bill. I hope the conferees on the part of the Senate will remain steadfast in their efforts to retain the item in the bill.

Mr. President, will the Senator from Texas further yield in order that I may ask the majority leader a question?

Mr. JOHNSON of Texas. I yield.

Mr. CLEMENTS. In the appropriation for the Covington flood wall I note that there is a reduction from \$900,000 to \$800,000. Do I correctly understand that the engineers felt that \$800,000 would complete the flood wall? This is the final appropriation, I understand.

Mr. KNOWLAND. It was the understanding of the committee at the time we considered the matter that, because of better bids or because of a changed situation, this amount would be sufficient to complete the work.

As the Senator knows, when a project is about to be completed it has been the general policy of the committee to provide sufficient funds to complete it. It is my recollection that in the case of the Covington project there were better bids and a slightly changed situation. Also, there had been a contingent item. The project is now so close to completion that we felt that this appropriation would complete it.

Mr. CLEMENTS. Is it the Senator's judgment that, because of the flexibility permitted in the general appropriation, if a little more money should be needed above the \$800,000 it would be available to complete the flood wall under the present contract?

Mr. KNOWLAND. Yes. I think through the action of the committee it will be completed.

Mr. CLEMENTS. Mr. President, I should like to commend the chairman and the committee for the action which was taken in increasing the appropriation at Maysville from \$700,000 to \$900,000. I certainly hope the Senate conferees will be able to retain that amount in the bill. It is not the last appropriation, but if only \$700,000 should be appropriated the community would face 1 more year of flood hazards, whereas if the \$900,000 item is retained the community will be free of floods 1 year sooner.

I again wish to commend the committee and the chairman for their action.

Mr. KNOWLAND. I will say to the Senator from Kentucky that, of course, I can give no assurances as to what the ultimate results of the conference will be, but it has been the policy of both Democrat and Republican conferees to represent the position taken by the Senate. We happen to believe very strongly in the items which are in the bill which I hope the Senate will very soon approve, and we shall certainly to the best of our ability try to maintain the Senate's position as to these and other items.

Mr. CLEMENTS. I have confidence in the chairman of the committee and in the Members of the Senate who will be on the conference representing the Senate.

Mr. JOHNSON of Texas. Mr. President, before I yield the floor, I wish to

say that I am not unaware of the great burden on the shoulders of the distinguished majority leader. We have all observed something this afternoon which I think has attracted the attention and the approval of every Member of the Senate. We are considering one of the most difficult appropriation bills, and it has been so efficiently handled and so thoroughly worked out in the committee that on the ye-and-nay votes only approximately five Members have been in opposition.

I wish to commend the Senator from California, the committee, and the very able staff for the very fine job which has been done.

I desire to express my thanks to the members of the committee for the fine work done in the subcommittee and in the full committee, and the support we have received from Democrats and Republicans alike for this bill, which I think is very important to our Nation.

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

Mr. KNOWLAND. I yield.

Mr. WILLIAMS. I desire to ask one question. On page 3, line 12, I understand an item of \$100,000 is included for beach-erosion study, of which \$25,000 was intended to match the funds to be provided by the State of Delaware. Is that correct?

Mr. KNOWLAND. The committee itself, on page 5 of the report, states that the approved budget estimate for beach-erosion studies was \$25,000. The House allowed \$25,000. The Senate committee recommended, and the recommendation is now before the Senate, \$100,000 for beach-erosion studies. In the increase there was no specific allocation of the funds, but certainly the work to which the Senator from Delaware has referred could not have been done with the amount contained in the budget estimate and as passed by the House.

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

Mr. KNOWLAND. I yield.

Mr. WILLIAMS. It is my understanding that the increase was to provide for studies in Delaware and in 2 or 3 other States for which studies have been recommended.

Mr. KNOWLAND. It has not been the general policy of the committee to earmark specific items. The committee felt that the beach-erosion study was extremely important, and the item to which the Senator from Delaware has referred, together with several others, was mentioned. I am certain the committee had these items in mind in regard to the situation. But, frankly, I am not in a position to make a statement on the floor that only the item of the Senator's State of Delaware was included in the amount appropriated.

Mr. WILLIAMS. I desired to have the RECORD show that part of the inclusion was made in order that the item for Delaware might be taken care of. The reason the question has been raised is that the United States Government owns a substantial part of the coastline of the State of Delaware. The State has already appropriated \$25,000 as its portion of the funds. However, it has been recognized by the Army engineers that

it would be useless for the States to make a study of its property alone. Such a study must also include property owned by the United States Government.

Likewise, there is a law in our State which prohibits any improvement or any actions being taken by one property owner unless other property owners so affected are considered. Therefore, the proposed beach survey would necessitate coordinated action between the State government and the Federal Government in that particular area. It is my understanding, from speaking with members of the committee and from what the Senator from California has just said, that funds are included which will enable the Army engineers to proceed with the studies.

Mr. KNOWLAND. I am not in a position to advise the Senator from Delaware at this point other than to say that the item was discussed in the committee. I think the project in which the Senator is interested is a very important one, and I think the statement which he has made would be given great weight by the Army engineers. Certainly it is true that if the Senate had not increased the amount, there would not have been funds with which to do either the work which the Senator has mentioned or other similar work. I think the Senator from Delaware is reasonably secure in resting on the merits of his case, considering the fact that the committee has increased the sum by \$75,000.

Mr. WILLIAMS. I thank the Senator from California for his assurance that as nearly as possible, the matter has been taken care of.

Mr. KNOWLAND. I think the Senator from Delaware has stated the situation accurately.

Mr. COOPER. Mr. President, I desire to associate myself with the senior Senator from Kentucky [Mr. CLEMENTS], in expressing satisfaction that the Subcommittee on Civil Functions of the Committee on Appropriations, has restored funds for construction of the Maysville project and the Pineville floodwall project.

I desire also to express my satisfaction and commendation to the committee for increasing funds for planning in connection with the Buckhorn Reservoir project from \$30,000 to \$100,000.

I earnestly hope that the committee will insist in the conference on the inclusion of these items.

Construction of the Buckhorn project would be of inestimable value to a large area of Kentucky, a great coal-producing area of Kentucky, which is now a depressed area, due to the plight of the coal industry. It has been too long delayed. I hope this item will be maintained in the bill. On last Saturday at Hazard, Ky., hundreds of people gathered in support of the commencement of this project, and others in the Kentucky River Basin.

I desire also to direct my attention to another item in the bill. On page 3, line 12, the committee recommended that funds for general investigations be fixed at the sum of \$3,460,000. On page 5 of the committee report, under the title "Examination and Surveys for Flood Control Studies," the committee recom-

mended that the appropriation be increased from \$550,000 to \$1 million.

On April 21, 1954, a resolution which I had submitted to the Senate Committee on Public Works, was agreed to by the committee. It requested a review of the report on the Big Sandy and Tug Rivers, at Levisa Forks, Kentucky, West Virginia, and Virginia, to determine whether it is advisable to modify the existing project at this time, particularly in the interest of flood control, hydroelectric power development, and water supply for domestic or industrial use.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the text of the resolution.

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

Resolved by the Committee on Public Works of the United States Senate, That the Board of Engineers for Rivers and Harbors, created under section 3 of the River and Harbor Act, approved June 13, 1902, be, and is hereby, requested to review the report on the Big Sandy River and Tug and Levisa Forks, Kentucky, West Virginia, and Virginia, published as House Document No. 264, 80th Congress, 1st session, and previous reports, with a view to determining whether it is advisable to modify the existing project at this time, particularly in the interest of flood control, hydroelectric power development, or water supply for domestic or industrial use.

Mr. COOPER. Mr. President, the resolution was forwarded by the Senate Committee on Public Works to the Corps of Engineers for action. Subsequently, I spoke with members of the staff of the Corps of Engineers and was advised that the sum of \$50,000 would be needed to make the survey.

Since the committee has increased the appropriation for studies from \$550,000 to \$1 million, I earnestly hope that the Corps of Engineers will use sufficient funds with which to make the survey which is so urgently needed.

Under the Flood Control Act of 1938, Congress approved a general, comprehensive plan for flood control in the Ohio River Valley. Included in the plan was the canalization project of the Big Sandy River in Kentucky, West Virginia, and Virginia, and several reservoirs on its tributaries, including Fishtrap, Haysi, and Pound River reservoirs.

Since 1938 no action has been taken to carry these projects to completion. The Corps of Engineers has informed me that it is now necessary to review these sites and to make further surveys of other sites on the Big Sandy and its tributaries, in order to select a location which is economically feasible, and on which construction can begin.

The Big Sandy River traverses one of the great coal areas of the United States. It has had no development. Across the State line, in West Virginia, the Kanawha River Valley has been developed, and today it is one of the richest areas in the United States. Conversely, the Big Sandy area, which has had no development with equally great or better coal resources, is a depressed area.

For many years a determined effort has been made to obtain authorization for the canalization of the Big Sandy River. This has not been done by Con-

gress. At present, I am urging that the Congress give its approval to canalization.

With war demands gone, and with the existence of a depressed coal industry, the nearby Big Sandy field is a depressed area. Reservoirs are needed to assure a constant supply of water for development, as well as for conservation, if there is to be any opportunity for industrial diversification of the area.

I have made this statement to point the necessity of this reservoir survey to the attention of the Corps of Engineers, and to request that they include, in the list of projects to be surveyed, a review of the reservoir sites on the Big Sandy River and its tributaries.

GREEN RIVER APPROPRIATION

Mr. President, I ask unanimous consent, also, to have printed at this point in the RECORD a statement which I have prepared referring to the appropriations which are sought for the Green River project, in Kentucky, one in which my colleague, the distinguished senior Senator from Kentucky [Mr. CLEMENTS] and I have been interested. I desire at this time to pay tribute to him for the work he has done in connection with the project.

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

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

STATEMENT BY SENATOR COOPER

It is a matter of great personal satisfaction that the pending bill includes funds for the construction of a project which is vital both to the Nation as a whole, as well as the people of Kentucky. The bill, as reported by the committee includes \$4.8 million for the reconstruction of locks and dams 1 and 2 on the Green River in Kentucky.

In a very real sense, the funds which have been and will be appropriated for this work represent an investment of the United States Government which will rapidly repay itself and begin piling up financial dividends. The total Federal cost of this project is placed by the Corps of Engineers at \$14,399,000. In one instance alone, the Federal Government will make an annual saving of nearly \$1 million when this work is completed. I refer, of course, to the reduced cost of coal which is to be purchased for the generation of power for use by the Atomic Energy Commission.

Additional benefits, in cost of private and public transportation, will raise the benefits to be derived from this construction beyond the saving from the transportation of coal alone.

The real importance of the Green River project can be clearly recognized from the unusual series of steps that were taken during the past year by both the legislative and executive branches of the Government to secure the appropriation of funds for the work to be put under way.

Both the Senate Public Works Committee and the House Public Works Committee took the unusual action a year ago to formally recommend to the Department of the Army that the reconstruction work was justified under the act of 1909. Acting upon this recommendation, the Secretary of the Army Hon. Robert Stevens, approved the authorization. I believe it was the only authorization made during 1953.

At the very close of the session of Congress last summer the vital need for this

project led the Committee on Appropriations to urge the Corps of Engineers to allocate \$100,000 to the planning of the project so that construction could begin this year.

Senator BRADGES, chairman of the Committee on Appropriations, and Senator KNOWLAND, chairman of the Subcommittee on Civil Functions, gave their support on the Senate floor to the allocation of the \$100,000 of planning funds.

This year, despite the urgent necessity of the Bureau of the Budget and the President to balance Government expenditures with receipts, the budget contained a recommendation for funds to be included in the appropriations for fiscal year 1955. But, because of the urgency of the project, the President also recommended a supplemental appropriation of \$800,000 for the current fiscal year. This latter amount has already been enacted by the Congress. The sum of four and eight-tenths million in this bill for Green River is 14th in size in the scores of projects named in the bill, and an addition is the \$800,000 heretofore appropriated.

Finally, it is important to point out that the Green River appropriation has the support of the major agencies of Government concerned with this question, including the Atomic Energy Commission, the Department of the Army, the Bureau of the Budget, and, of course, the President of the United States.

I am glad to have had a part in urging before every committee, before the Corps of Engineers and the Bureau of the Budget, the necessity for the authorization and appropriation of construction funds for the development of the Green River. The entire Kentucky congressional delegation, including the late and beloved Representative Garrett Withers, and Representative WILLIAM H. NATCHER, supported the project.

I desire to pay particular tribute to my colleague, Senator CLEMENTS, for his initiation of and continued efforts to have this important project started. It has been a pleasure to work with him. I think also that we must give great and due credit to the citizens of the Green River Basin, and to all the officers and members of the Green River Valley Citizens League, which for years had accumulated information, informed their Representatives in Congress, and pressed for the initiation of the project. Its present officers are Hon. James R. Hines, president, Bowling Green, Ky.; Hon. Albert P. Harding, Central City, Ky., executive vice president-secretary; Hon. J. Morton Williams, Beaver Dam, Ky., treasurer. They have been faithful to their trust.

Perhaps the greatest credit for vision, hard study and work, together with never-ending insistence that the Green River must be developed, is due Hon. C. A. Reis, South Carrollton, Ky., president for many years, and now honorary president, of the league.

Mr. COOPER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a list of the officers, members of the board of directors, and committees of the Green River Valley Citizens League, Inc.

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

OFFICERS

President: James R. Hines, president, James R. Hines Corp., Bowling Green, Ky. (phone 3282).

Executive vice president-secretary: Albert P. Harding, partner, Sanitary Cleaners, Central City, Ky. (phone 384).

Treasurer: J. Morton Williams, secretary-treasurer, Beaver Dam Manufacturing & Supply Co., Beaver Dam, Ky. (phone 4510).

Honorary president: C. A. Reis, owner, Green River Mine and Possum Hollow Coal Properties, South Carrollton, Ky. (phone Central City, Ky. 7-J).

BOARD OF DIRECTORS

James R. Hines, president, James R. Hines Corp.

Albert P. Harding, partner, Sanitary Cleaners.

J. Morton Williams, secretary-treasurer, Beaver Dam Mfg. & Supply Co.

Bowling Green: William C. Sumpter, retired.

Central City: Fred E. Massey, real estate and insurance.

Brownsville: R. A. Demunbrun, educator. Beaver Dam: Dr. W. H. Washburn, dentist.

Hartford: John Q. Adams, implement dealer.

Rockport: Homer Boyd, postmaster. Island: I. G. Reynierson, banker.

Calhoun: Landon Wills, co-publisher, the McLean County News.

Drakesboro-Paradise: Chester A. Hope, superintendent, Drakesboro Water Works.

Owensboro: Edward Delker, co-manager, River Sand & Gravel Co.

Rochester: James Hays, farm owner and operator.

Morgantown: W. A. Moore, attorney. Livermore: Col. Oren Coin, retired.

Greenville: J. E. Wood, insurance. Centertown: Ross Morton, assistant cashier, Farmers Bank.

Dundee: Jas. J. Turner, bank cashier. Sebree: Byron Royster, editor, the Sebree Banner.

South Carrollton: Harry Wheeldon, postmaster and grocer.

Henderson: Harry Scott, Scott-McGaw Motor Co.

COMMITTEES

Executive committee: Officers Hines (chairman), Harding, Williams and Directors Wood, Wills, Moore, and Delker.

Finance and budgeting: Treasurer Williams (chairman).

Flood control—water usage and storage: Col. Oren Coin (chairman).

Irrigation and drainage: Colonel Coin (chairman).

Agriculture: Col. Wayland Rhoads, Browder, Ky., and Lexington, Ky. (chairman).

Mammoth Cave National Park: R. A. Demunbrun (chairman).

Reforestation: Karl J. Meyer, Jr., Livermore, Ky. (chairman).

Navigation: Thomas C. Melton, Morgantown, Ky. (chairman).

Natural resources: Otis White, Morgantown, Ky.

Industry: Dave Cohen, Central City, Ky. (chairman).

Legislation: Hecht S. Lackey, Henderson, Ky.

Membership: W. D. Bratcher, Greenville, Ky. (chairman).

Mr. CLEMENTS. Mr. President, will the Senator yield to allow me to make an observation?

Mr. COOPER. I yield.

Mr. CLEMENTS. I appreciate the comment made by my colleague, the distinguished junior Senator from Kentucky. I desire to say that the work on the Green River project has had the support of both of us during the entire time we have been in the Senate.

Mr. KNOWLAND. Mr. President, do I understand that the question now is on agreeing to the committee amendment?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 5 in line 20.

The amendment was agreed to.

The next amendment was, under the subhead "General Expenses," on page 6, at the beginning of line 4, to strike out "\$9,288,000" and insert "\$9,800,000."

The amendment was agreed to.

The next amendment was, under the subhead "Flood Control, Mississippi River and Tributaries," on page 6, line 10, after the word "expended", to strike out "\$45,200,000" and insert "\$45,700,000."

The amendment was agreed to. The next amendment was, under the subhead "Canal Zone Government," on page 8, line 1, after the word "Governor", to insert a semicolon and "residence for the Governor."

The amendment was agreed to. The next amendment was, under the subhead "General Provisions," on page 12, after line 18, to insert a new section, as follows:

SEC. 105. Hereafter appropriations of the Military Department shall be available for the reimbursement of the Canal Zone Government for the cost of providing, in facilities operated by the Canal Zone Government, medical care, other than subsistence of dependents of military personnel.

The amendment was agreed to. The next amendment was, at the top of page 13, to insert the following new section:

SEC. 106. No appropriation or fund available to the Department of Defense shall be used after (September 1), 1954, for the maintenance and operation of hospitals in the Canal Zone.

The amendment was agreed to.

The next amendment was, on page 13, line 5, to change the section number from "105" to "107"; and in line 6, after the word "amended", to strike out "by adding at the end thereof, before the period, the following: 'and the appropriation or fund of any such other agency bearing the cost of the compensation of the employee concerned is hereby made available for such reimbursement.'", and insert "to read as follows:

"Sec. 105. Amounts expended by the Panama Canal Company in maintaining defense facilities in standby condition for the Department of Defense hereafter shall, notwithstanding any other provisions of law, be fully reimbursable to the Panama Canal Company by the Department of Defense. Amounts expended by the Canal Zone Government for furnishing education, and hospital and medical care to employees of agencies of the United States and their dependents, other than the Panama Canal Company and Canal Zone Government, less amounts payable by such employees and their dependents hereafter shall, notwithstanding any other provision of law, be fully reimbursable to the Canal Zone Government by such agencies. The appropriation or fund of any such other agency bearing the cost of the compensation of the employee concerned is hereby made available for such reimbursements."

The amendment was agreed to. The next amendment was, on page 14, line 4, to change the section number from "106" to "108."

The amendment was agreed to. The PRESIDING OFFICER. That completes the committee amendments. The bill is open to further amendment.

If there are no further amendments to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

Mr. MAGNUSON. Mr. President, I have an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Washington.

The CHIEF CLERK. On page 3, line 22, it is proposed to strike out "\$322,519,800" and insert in lieu thereof "\$326,019,800."

The PRESIDING OFFICER. The Chair wishes to inform the Senator from Washington that the amendment of the committee has been agreed to.

Mr. MAGNUSON. Mr. President, I am suggesting an additional amount.

The PRESIDING OFFICER. The committee amendment has been agreed to. Therefore the Senator would have to move to reconsider the vote by which the amendment was agreed to.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to, because I had intended to let action on the committee amendment be taken and then present my amendment. I shall not take long.

Mr. KNOWLAND. Mr. President, I hope the distinguished Senator from Washington will not ask to open up the bill at this stage. I know the distinguished Senator has served as a member of the Committee on Appropriations, and has been much interested and very diligent in dealing with the problems affecting not only his area of the country, but other areas. I submit that both the subcommittee and the full committee had this matter under discussion, and I would urge the Senator not to insist upon offering his amendment at this stage of the proceedings.

Mr. MAGNUSON. I wish to say to the Senator from California that I would have taken the same amount of time when the committee amendment was considered as I shall take now. I thought it would save time if the committee amendment could be agreed to, and that I could then offer the amendment as a separate amendment. I shall not press for a ye-a-and-nay vote on my amendment, or anything of that kind, but I wish the RECORD to show what I have to say not only in behalf of myself, but in behalf of four other Senators.

Mr. KNOWLAND. As a courtesy to the Senator from Washington, I ask unanimous consent that the committee amendment which was agreed to be considered de novo, so that the Senator from Washington may offer his amendment.

Mr. MAGNUSON. I appreciate that, and I shall not take very much time.

The PRESIDING OFFICER. Does the Senator from Washington withdraw his motion?

Mr. MAGNUSON. Yes. The Senator from California has made a unanimous-consent request.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from California? The Chair hears none, and it is so ordered.

Mr. MAGNUSON. Mr. President, I appreciate what the Senator from California has said, that these matters were discussed in both the subcommittee and in the full Committee on Appropriations, of which I am a member, but I

desire the RECORD to show my opposition to the failure on the part of the committee to include this one particular item, and I submit my amendment with this explanation:

On April 19, 1954, the Senator from Oregon [Mr. MORSE], the Senator from Washington [Mr. JACKSON], the Senator from Montana [Mr. MURRAY], the Senator from Montana [Mr. MANSFIELD], and I offered certain amendments to the bill, calling for the following additional funds for projects in the Columbia Basin project: \$700,000 in planning money for the great John Day project; \$3,500,000 to initiate construction of Ice Harbor project, which has been before the Senate and has been approved by the Senate on many occasions—that is, funds for the beginning of construction have been approved, but the proposal has always been lost in conference with the House; \$3 million to put Chief Joseph Dam and power facilities back on schedule; \$16 million for the Dalles Dam construction on the lower Columbia River. The committee acted favorably on a part of that amendment. The committee added \$500,000 in planning funds for the John Day project. We were successful in adding, over the amount provided by the House, \$3 million for Chief Joseph, and \$9 million for the Dalles. On behalf of the people of the Northwest, and the sponsors of the April 19 amendment, I wish to thank the committee for what it has done in agreeing with me in the committee.

Although we had requested \$16 million for the Dalles and received only \$9 million, I am informed that the \$9 million, to be used by the Army engineers, will be sufficient to avoid the full year's delay which would have occurred had the House figure and the original budget figure been permitted to stand. Those of us who sponsored the April 19 amendment, therefore, will not seek at this time to increase the item for the Dalles.

We are extremely concerned, however, Mr. President, over the fact that neither the administration nor the committee has allowed any funds for a new start in the Pacific Northwest; and it is not particularly the committee's fault, because the administration did not send to Congress a budget request.

The April 19 amendment called for \$3,500,000 to get Ice Harbor lock and dam under way.

The amendment which I have sent to the desk merely seeks to add \$3,500,000 to the funds allowed by the committee for construction. My amendment proposes that the committee figure of \$322,519,800 be raised to \$326,019,800. If the amendment is agreed to, the very important project on the lower Snake River can be started—construction can be begun this year.

I do not wish to burden the Senate with a description of Ice Harbor Dam. I have spoken on the matter on the Senate floor on many previous occasions, and the Senate has, on three occasions, agreed to funds for the Ice Harbor Dam. I ask unanimous consent to have printed in the RECORD at this point the statement describing Ice Harbor Dam which I made last year.

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

Mr. President and members of the committee, I appear before you today to discuss the merits of Ice Harbor lock and dam on the lower Snake River in the State of Washington. I am sure this committee is already quite familiar with this project. You have heard extensive testimony from both congressional and outside witnesses each of the last three sessions of Congress.

Here are the facts as they now obtain.

President Truman sent to the Congress a request for \$4.9 million to initiate construction on this project. The Eisenhower administration has eliminated the item entirely. Frankly, I believe this latter action is a sad mistake and am here to plead that your committee correct this error in judgment.

I am one who believes that the Congress of the United States—not the administration—holds the purse strings. It is Congress that sets policy. There is nothing sacrosanct about budget recommendations this or any other administration sends to us. The budget is merely a recommendation—it is up to us as representatives of the people to decide finally what is best for the country. It will be a sad day when Congress abdicates to the executive branch its responsibility under our Constitution.

The fact the present administration, therefore, did not include funds for Ice Harbor does not relieve the Congress of the United States from exercising its best judgment as to the wisdom of providing funds to get this vital project under way.

In 1948, this committee approved \$2,500,000 for Ice Harbor Dam. That amount was approved by the House of Representatives. It came to the Senate and I regret to say my colleagues deleted it in favor of adding a similar amount to another project on the Columbia River.

On three subsequent occasions, however, the Senate approved funds to start construction of Ice Harbor lock and dam. Each time, however, the sum the Senate provided was refused by the conferees.

Now, to identify the project for the benefit of any new members on this committee—Ice Harbor lock and dam was authorized by the Congress in 1945. It will be situated near the mouth of the Snake River at a point about 15 miles from Richland, Wash.—the site of the Hanford Atomic Energy Works. It will have an installed capacity of 260,000 kilowatts. It will produce almost 250,000 kilowatts prime power.

The Corps estimates its navigation benefits at over \$300,000 a year. The pool created by McNary Dam will provide slack water navigation to the toe of Ice Harbor. There are three companion projects authorized on the lower Snake—namely, Lower Monumental, Little Goose, and Lower Granite. If all four are constructed, slack water navigation to Lewiston, Idaho, would be provided.

If Ice Harbor Dam only were constructed, it is still feasible. It would flood the worst of the rapids between the lower Snake and Lewiston, making the river navigable for approximately 6 months of the year. Ice Harbor lock and dam is a feasible project standing on its own feet—with or without the construction of the companion projects I have mentioned.

It is a multipurpose project. In addition to its 260,000 kilowatts of installed capacity, it will provide navigation benefits already mentioned.

Further, its construction will make feasible the irrigation of some 85,000 acres of land in an area called Eureka Flats, plus some 20,000 acres at the southern extreme of the Columbia Basin project.

Perhaps even more important, this dam will provide a separate independent source

of power for our great atomic energy plant at Hanford.

Last year your committee received testimony from Dr. Raver of Bonneville Power Administration and Mr. Neil Carruthers, representing the Atomic Energy Commission, on the importance of this project to the expanded works at Hanford. I understand the Atomic Energy Commission has gone on record again this year with the Bureau of the Budget as to the importance of an immediate start on Ice Harbor. I have been unable to obtain a copy of the statement AEC made to the Bureau of the Budget this year.

I have in my possession, however, and wish to submit for the record, a copy of a letter addressed to me on May 27, 1952, by Mr. Boyer, general manager of the Atomic Energy Commission. In his letter, Mr. Boyer states:

"In order to maintain our rate of production with the requisite degree of safety, we must have a reliable, trouble-free, noninterruptible source of power supply. Because of overloading and other factors on the Bonneville system, we have over the past few years experienced several power outages which have caused loss in plutonium production and created potential hazards."

Mr. Boyer goes on to state that proximity of Ice Harbor Dam to the Hanford Works provides an ideal method of providing reliable, trouble-free, noninterruptible service.

Mr. Chairman, the Pacific Northwest and the Nation at large confronts a serious power shortage. Our industrial might and, hence, our military strength depends upon power. We cannot expand America's productive capacity without power to turn the wheels in our factories and mines. If we do not expand our power facilities, we cannot maintain either our industrial or atomic leadership.

This dam is fully designed and engineered, the Corps can begin construction immediately—power can be on the line within 4 years after the dam is started. This is the only authorized project in the Columbia Basin that enjoys this status.

Ice Harbor Dam is located by the hard facts of geography in the Northwest. Its benefits, however, will be national in character. The strength of the United States depends upon the strength of the sum of all its parts. The accident of geographical location, therefore, cannot and should not make this a regional or sectional issue in the minds of this committee and the Congress.

Last year the budget contained a request of \$5 million for Ice Harbor lock and dam. This item was eliminated. In your committee report you cited three chief reasons for your action. I quote the pertinent sentence from that report:

"The committee will not give further consideration to this project until it is shown that: (1) The project will not have an irreparable effect on the fish runs; (2) navigation benefits, without the construction of other projects, are significant; and (3) power needs of the area cannot be supplied from other sources."

Let me discuss each of these items in turn.

Will the construction of this project have an irreparable effect on the fish run?

All objective evidence available to us indicates that this project will not have an irreparable effect on the fish runs. The provable facts are that salmon runs over Bonneville fish ladders are increasing year by year. By actual count 470,000 fish negotiated the ladders in 1938—648,000 salmon went over the ladders in 1951. These facts are incontrovertible. They definitely demonstrate that construction of Bonneville Dam has not done irreparable damage to this fishery resource.

On the contrary, at least three complete cycles of salmon have gotten over the dam and the fingerlings have successfully com-

pleted their downstream migration. To the best of my knowledge, no comparable data have ever been presented to the Congress by the opponents of this project to prove that Ice Harbor will be detrimental to the salmon runs. This project has been under consideration since 1945. Certainly during the intervening years there has been ample opportunity for opponents to collect factual, demonstrable data to prove their point. This they have not been able to do. On the contrary, they express vague fears about what will happen to the fish runs.

I call the committee's attention to one further bit of evidence on this point. On March 18, the Director of Fish and Wildlife Service of the Department of Interior wrote a letter to the Honorable CLARENCE CANNON, chairman of the House Appropriations Committee, in an effort to clarify testimony he had previously presented in person. Incidentally, the letter reached Mr. CANNON after the House had marked up the bill. I quote one of the most pertinent statements from Mr. Day's letter. He says:

"Any impression which my testimony may have left that the extermination of the species may result (from construction of Ice Harbor Dam) was in no way intended by my statements. I think there is no question that the species, as such, are not in danger of extinction."

In other words, the head of the Fish and Wildlife Service admits that under the worst possible circumstances, the evidence is that some of the salmon will get over Ice Harbor Dam and the fingerlings will get back down. In view of all the controversy that has been generated on this subject, one would hardly expect a more optimistic report—even though, in my judgment, the facts I cited would warrant it.

The second question raised by your committee last year concerns navigation benefits. The committee asks, in the event Ice Harbor were the only lower Snake River Dam built, would improvements to navigation still be substantial?

The facts are that McNary Dam will create a slack-water pool to the toe of Ice Harbor Dam, but Ice Harbor pool in turn will flood some of the worst rapids on the lower Snake River, thereby permitting open river navigation to Lewiston, Idaho. I say "open river navigation" because the other dams, lower Monumental, lower Granite, and Little Goose, must be built before slack-water navigation will be available to Lewiston. In other words, the river will be usable if only Ice Harbor Dam were constructed.

Frankly, however, I think this particular argument is somewhat specious because I am fully convinced the Congress will complete the job on the lower Snake. I am convinced that the economy of the country will require construction of Lower Monumental, Little Goose, and Lower Granite. We must have the 720,000 kilowatts of additional power these 3 dams will generate.

I want to comment now on the third question raised in the House report last year. The committee says it wants to be convinced that "power needs of the area cannot be supplied from other sources."

As this committee well knows, Ice Harbor Dam will be located in the back yard of the Hanford Atomic Energy Works. In addition, it is located in one of the fastest-growing areas, populationwise, in the United States. If we interpret "area" in a narrow sense, therefore, Ice Harbor Dam is the most logical and economical source of power available.

No one can say categorically that the needs of the Hanford area cannot be supplied from any other source. Sure, if we want to spend vast sums of money for steam plants, or if we wish to spend from 7 to 10 million needless dollars for additional transmission lines, power can be brought into the Hanford area from other sources. I suppose there is no limit to what we can

do if we want to squander taxpayers' money. Hard-headed economics and engineering, however, dictate that Ice Harbor Dam be built as—and I repeat—the best available source of power for the area.

Mr. Chairman, at the beginning of these remarks I stated that President Truman requested \$4.9 million for Ice Harbor lock and dam. The Eisenhower administration did not provide for this much-needed new start. Technically, therefore, there is no budget estimate before you. In my considered judgment, this should not deter this committee from adding sufficient funds to the bill you report to get this project into construction.

The project is needed. It is feasible. The salmon runs can be protected—will be protected—and an independent, reliable source of power for our atomic weapon plan will be provided. I urge you in all sincerity to take the action herein requested.

Mr. Chairman, I would like to place in the RECORD a copy of a letter addressed to me May 22, 1952, by Mr. Boyer, Manager of the Atomic Energy Commission; also a letter addressed to me on June 9 by Gordon Dean, Chairman of the Commission; also a letter addressed to the Honorable CLARENCE CANNON on June 20, 1952, by Mr. J. L. Kask, Assistant Director of Fish and Wildlife Service, commenting optimistically on the fish problem; and also a letter addressed to Mr. CANNON on March 18, 1952, by Dr. Albert Day, asserting that construction of this project will not exterminate any species of fish.

In addition, Mr. Chairman, I would like to have included as part of my remarks a statement I have prepared on the origin and validity of the repeated assertion that 15 percent of the fingerlings migrating downstream are lost at each dam.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement on a similar amendment which was sent to the desk when the bill was before the Senate last year, which I think explains the whole Ice Harbor picture.

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

ICE HARBOR LOCK AND DAM—STATEMENT BY SENATOR MAGNUSON, JUNE 27, 1953

I send to the desk an amendment to line 5, page 4, proposing that there be added \$3 million to the amount listed for "Construction, general."

This amendment is designed to add \$3 million to the total amount of construction funds in this bill for Ice Harbor lock and dam on the Lower Snake River in the State of Washington. President Truman included in the January budget \$4,900,000 to get this vitally needed project under way. The Eisenhower administration deleted it entirely.

I am suggesting the addition of \$3 million rather than \$4,900,000 because \$3 million is the amount the Senate approved last year for this project.

Many Senators will recall the controversy we had on the closing day of the session last year over the conference report on the civil functions bill. The House conferees, you will remember, insisted on deleting funds for Ice Harbor Dam on the Snake and Hartwell Dam on the Savannah River. In consequence, my good friends, the Senators from South Carolina, myself, and others were in a mood to hold the Congress in session until these funds were agreed to. I receded from my position after receiving assurance from the then chairman of the Appropriations Committee that this item would receive most sympathetic consideration in the present bill.

Of course, the senior Senator from Tennessee, Mr. McKellar, is no longer with us. I do feel very strongly, however, that I had a

moral commitment from the Senate that what I am now proposing would be given favorable consideration.

Ice Harbor Dam is fully engineered. Construction could be started on it immediately. It is the only major dam in the Columbia River system that enjoys this status. It is a multipurpose project. It will produce 200,000 kilowatts of prime power. It will make possible the later irrigation of approximately 50,000 acres of land. In addition, it would provide open-river navigation to Lewiston, Idaho, for at least 6 months of the year. The total construction cost at 1953 prices is about \$110 million.

There is another very important reason for getting this dam started immediately. This dam is located in the backyard—so to speak—of the great atomic energy plant. That plant needs an independent and dependable source of power.

One of the reasons the Senate has approved funds for this project in past years is the strong representations made by the Atomic Energy Commission that this dam is required.

My friends on the other side of the aisle should be particularly interested in this amendment. It would give a Republican-controlled Congress and a Republican administration something to point to with pride and distinction. To date, no dam, no project in the comprehensive development of the great Columbia and its tributaries has ever been started by a Republican Congress and Republican administration.

Of course, I realize your opportunities in the last 20 years have been somewhat limited. Here's the chance to demonstrate that the Republicans in the Senate, at least, are stanchly behind a program of maximum water-resource development.

In 1950, in 1951, and in 1952 the Senate approved construction funds for Ice Harbor Lock and Dam. I am hoping the Senate of the United States will reconfirm the good judgment it has shown in the past by voting favorably on this amendment.

Mr. MAGNUSON. Mr. President, Ice Harbor, of course, is fully engineered. Construction could be started on it immediately. It is the only major dam in the Columbia River system which enjoys this status. It is a multipurpose project. It will produce 200,000 kilowatts of prime power. It will make possible the later irrigation of approximately 50,000 acres of land. In addition, it will provide open-river navigation to Lewiston, Idaho, for at least 6 months of the year. The total construction cost at 1953 prices is about \$110 million.

There is another very important reason for getting the dam started immediately. The record is full of statements and direct letters from the Atomic Energy Commission urging the construction of Ice Harbor Dam. Ice Harbor lies up the Snake River a few miles from the great Hanford atomic energy plant, which uses a great deal of electricity from the Bonneville pool. There have been times when there has been failure of the powerload, which is very costly and serious to our national defense. Construction of the Ice Harbor Dam would give the Hanford project an uninterrupted source of power direct from the dam, a few miles up the Snake River where it comes into the Columbia, and near the project.

If the Senator from California will bear with me another few minutes, there is another reason for my proposing the amendment. For about 20 years in our

area we have been developing our great hydroelectric potential. We have built many dams and erected flood-control and navigation projects, and have developed almost a complete new empire in that area. For 20 years the policy of the Federal Government was to build multipurpose dams, put power into the Bonneville pool, which was the purpose of the Bonneville Act passed by Congress, encourage private construction of dams when they could be feasibly constructed, and to encourage our municipalities and public utility districts to start construction projects. All of those dams which go into the Bonneville pool produce millions of kilowatts, and cheap power. Cheap power has been the very economic life and hope for the future of the Pacific Northwest.

In the Pacific Northwest we have been doing a good job along this line for 20 years, and the people have been satisfied. Any dispute between public power and private power completely ceased to exist as a matter of policy, because even the private power companies were obtaining cheap power from the Bonneville lines, and were doing more business than ever before, and were expanding. Our power needs doubled over a period of 10 years, even on the basis of a constant population, and entirely aside from the greater needs because of the increase in population. Those dams were built. Despite great opposition, I must say, during the 20-year period, on both sides of the aisle and in both Houses of Congress, regarding the cost of the dams, and despite constant fights to obtain the appropriations, we progressed fairly well. The Bureau of Reclamation has made many surveys of the Columbia Basin.

Finally, after many years of controversy and argument, we have a comprehensive 308 plan or report which provides for adequate development of the river. All during that time, from the power revenues we repaid the Federal Government what we promised to pay, with interest. That went on for 20 years.

Then the new administration came into power. Despite all that was said, the new administration completely changed the power policy. The new administration spoke in terms of partnership and State compacts, and discussed in a vague sort of way going ahead with these great dams of a multipurpose nature, which in the final analysis do not require investments by the Federal Government, when flood control, navigation, and irrigation are involved. Despite the fact that in 1952, in two places in the Pacific Northwest, the present President of the United States promised the people that if the Republican Party was placed in power, those power developments, under the comprehensive 308 plan, would continue their orderly progress—and the President made statements to that effect both in Boise and in Seattle, and the Secretary of the Interior also made similar speeches—I wish the RECORD to show that there seems to be no apparent connection between what the administration has promised the people in regard to hydroelectric development in our part of the Nation and what the administration does.

So my reason for submitting the amendment is that, although the new administration has now been in office for 18 months, and although one session of Congress has been completed and another session is nearing completion, not even one recommendation has been made for a single new start in the development of the great Columbia Basin. The administration says it has projects ready, and of course they are ready. The administration has also intimated that when there might be a business recession, various public works should be undertaken. However, that would mean we would have to wait for a depression in the country before that great potential could be developed.

There are many other projects—including those involving 20-year contracts and relating to irrigation and navigation—which have not been touched because the administration does not wish to request appropriations for them.

The result is that our municipalities do not know where they will get the power they need. They know they might obtain funds for that purpose by floating bonds; but, they realize that conditions on Manhattan Island, in connection with the floating of bond issues, are now somewhat different from what they were, and that although such bond issues might be floated, the power obtained thereby would be much more expensive than the power now coming from the Bonneville pool.

So, Mr. President, this change in policy has occurred. In his state of the Union message to the Congress, the President of the United States promised the people of the Pacific Northwest—and on another occasion I shall place in the RECORD quotations from his speech—that the administration had no intention of jeopardizing the orderly process of the development of the great natural resources of the Pacific Northwest. But 10 days later, when the budget message came to Congress, it did not contain even 1 recommendation for the appropriation of funds for even 1 new start.

Mr. President, I am not blaming the House of Representatives or the Senate Appropriations Committee, because I think they have been very generous with us, and we appreciate it. But it has been difficult enough for us to be able to develop projects in many places in the West, even when the administration has agreed to proceed with those developments. It is now much more difficult, in view of the fact that the administration has not recommended even one new start.

Of course, when appropriations for these projects are included in the budget for a given year, such items are really loans, rather than appropriations, for they are repaid with interest. In fact, many persons have prepared and submitted figures showing that over a period of 10 or 12 years these projects will result in the repayment, by means of taxes alone, of what they cost.

So I wish the RECORD to be clear in this respect, and to show that, despite the fact that the Senate Appropriations Committee has done an excellent job and despite the fact that my friend, the

senior Senator from Oregon [Mr. Corson] and I and the other members of the subcommittee have done, I believe, a good job, and despite the fact that the senior Senator from Oregon has an excellent realization of the situation and an excellent appreciation of the importance of these projects, yet, up to this time, since the new administration has been in office, and after one session of Congress has ended and the second session is nearing completion, and notwithstanding what representatives of the administration have said about favoring the development of hydroelectric power in the Pacific Northwest, yet not one new start has come from the administration. I want the people to know that.

Mr. President, I call for a voice vote on the question of agreeing to my amendment to the committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington [Mr. MAGNUSON] to the committee amendment on page 3, in line 22.

Mr. KNOWLAND. Mr. President, in the first place, I wish to point out that this matter was before the subcommittee, and also was before the full committee. The project itself calls for an appropriation of \$135,930,000. To date, there have been provided planning funds in the amount of \$1,082,200. There was no Corps of Engineers' estimate to the Bureau of the Budget for construction in fiscal year 1955 in connection with this item, either within or over the ceiling. As has been pointed out, there was no budget estimate for construction of the item. No action was taken on it by the House of Representatives.

I am sorry the Senator from Washington has raised a partisan note, because in the committee we have dealt on an impartial and nonpartisan basis.

However, I think it should be pointed out that for these projects in the great Columbia River Basin—and it is a great basin which is an asset to the people of the entire Nation—the budget estimates for the power projects in the Pacific Northwest amounted to \$95,011,000; the House voted for those projects \$88,139,000; and the recommendation of the Senate Appropriations Committee for the same purpose is \$100,831,000.

In the case of both power and non-power projects in the Columbia River Basin, the total budget estimates amount to \$97,396,000; the House of Representatives has voted \$90,474,000; and the recommendations of the Senate Appropriations Committee amount to \$103,236,000.

Mr. President, I think all of those of us who have served on the committee in past years recognize the tremendous development which has occurred in the Pacific Northwest, and we are proud of it, and we hope it may be continued over the years. But, based on all the facts the committee has to face and in view of the many other projects in other sections of the country, our best judgment was that it would not be wise or prudent at this point to commence construction of the new \$135 million project.

Moreover, there are certain further studies which we feel must necessarily be made, and which we believe the Congress should have available to it before any construction funds are allocated. In that connection, let me refer to the testimony appearing on page 1650 of the hearings before the Senate Appropriations Committee in relation to the Ice Harbor Dam. Representatives of the Fish and Wildlife Service appeared before the committee and pointed out that many very grave problems are involved, and that the great salmon industry in the Pacific Northwest might be most adversely affected by construction of the dam. Therefore, they believed the dam should not be constructed until certain additional studies regarding it are made.

So, Mr. President, I hope the amendment submitted by the Senator from Washington to the committee amendment will be rejected.

Mr. MAGNUSON. Mr. President, will the Senator from California yield for an observation?

Mr. KNOWLAND. I yield.

Mr. MAGNUSON. Of course, in my initial statement I said there is no question about the attitude taken by the committee, for it is clear that the committee did not take a partisan approach in considering this matter. The committee has been completely nonpartisan, I may say; and I serve on both the full Appropriations Committee and on the subcommittee dealing with these and other projects. There has been no partisanship at all. I merely wished to point out what the administration and the budget have recommended. I suppose the Engineers were told not to recommend this project. It has been approved by the Senate twice. That is all I said. There was no partisanship involved in my statement. I said there was a new power policy. I am merely stating the facts.

Mr. KNOWLAND. To be perfectly fair, we sit here in the Senate, or in the Appropriations Committee, and on the particular subcommittee in which we have a vital interest, and we view the problem from one angle. But when the President of the United States sits, at his level, with his Budget Director, he also has many other problems affecting the national defense and affecting our Military Establishment, and a great many other problems, including the very heavy tax burdens borne by the people of the United States. I think, in fairness, we must bear in mind that with the heavy national debt, which is almost \$270 billion, and with one of the highest tax burdens ever borne by the people of the United States, the man who is called to the high responsibility of President of the United States cannot, in justice to the country or in fairness to his administration, do all the things or recommend all the projects he himself might like to recommend.

I submit to the Senator that over a period of years, both under Republican and Democratic administrations, and under both Republican and Democratic Congresses, development of the West has gone forward. Development of our great reclamation projects has proceeded. I am very proud, as a Republican, that

the original Reclamation Act came into being under the great Republican President, Theodore Roosevelt, and that it has been carried out by both Republican and Democratic administrations since that time.

I do not believe that at this time the pending amendment should be adopted.

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

Mr. MAGNUSON. Mr. President—
The PRESIDING OFFICER. Does the Senator from California yield, and, if so, to whom?

Mr. KNOWLAND. I yield first to the Senator from Nevada. Then I shall be glad to yield to the Senator from Washington.

Mr. MALONE. I remind the distinguished Senator from California that it was the great Senator Newlands, of Nevada, who introduced the original reclamation legislation.

Mr. KNOWLAND. The Senator is correct. He rendered great service to the country.

I now yield to the Senator from Washington.

Mr. MAGNUSON. Mr. President, I am merely stating facts, to make the record clear.

Mr. KNOWLAND. I, too, have been stating facts.

Mr. MAGNUSON. That is true.

The Senator from California has correctly read the amounts appropriated. At the outset of my statement I stated that I was appreciative of the action of the Senate committee. As the Senator knows, in the full committee I expressed my appreciation. However, I merely point out that the projects to which the Senator from California refers are projects which were well on their way toward completion, and it would have been utterly folly not to appropriate money for their completion, because the sooner they are completed the sooner they will pay back. All the figures quoted by the Senator from California are fine, but I still point out that no new start has been recommended by the administration.

Mr. KNOWLAND. The committee recommended approximately 20 new starts.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. MAGNUSON] to the committee amendment on page 3, line 22.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment on page 3, line 22.

The amendment was 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 of the amendments and the third reading of the bill.

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

The bill was read the third time and passed.

Mr. KNOWLAND. I move that the Senate insist upon its amendments, request a conference with the House of

Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. KNOWLAND, Mr. YOUNG, Mr. CORDON, Mr. THYE, Mr. MARTIN, Mr. HAYDEN, Mr. RUSSELL, and Mr. ELLENDER conferees on the part of the Senate.

MEMORIAL SERVICES FOR THE LATE SENATOR HOEY, OF NORTH CAROLINA

Mr. KNOWLAND. Mr. President, pursuant to prior announcement, I ask unanimous consent that an order be entered that, immediately following the morning hour on next Thursday, the unfinished business be temporarily laid aside and that the Senate proceed to hold memorial services in tribute to the life, character, and public service of the Honorable Clyde R. Hoey, late a Senator from the State of North Carolina.

The PRESIDING OFFICER. Without objection, the order will be entered.

ORDER FOR RECESS UNTIL THURSDAY

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

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

WATER FOR IRRIGATION AND DOMESTIC USE FROM THE SANTA MARGARITA RIVER, CALIF.

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1325, House bill 5731.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5731) to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities to provide water for irrigation and domestic use from the Santa Margarita River, Calif., and the joint utilization of a dam and reservoir and other waterwork facilities by the Department of the Interior and the Department of the Navy, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment, to strike out all after the enacting clause and insert:

That the Secretary of the Interior, acting pursuant to the Federal reclamation laws (act of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto), as far as those laws are not inconsistent with the provisions of this act, is authorized to construct, operate, and maintain such dam and other facilities as may be required to make available for irrigation, municipal, domestic, military, and other uses the yield

of the reservoir created by De Luz Dam to be located immediately below the confluence of De Luz Creek with Santa Margarita River on Camp Joseph H. Pendleton, San Diego County, Calif., for the Fallbrook Public Utility District and such other users as herein provided. The authority of the Secretary to construct said facilities is contingent upon a determination by him that—

(a) the Fallbrook Public Utility District shall have entered into a contract under subsection (d), section 9, of the Reclamation Project Act of 1939 undertaking to repay to the United States of America appropriate portions, as determined by the Secretary, of the actual costs of constructing, operating, and maintaining such dam and other facilities, together with interest as hereinafter provided; and under no circumstances shall the Department of the Navy be subject to any charges or costs except on the basis of its proportional use, if any, of such dam and other facilities, as determined pursuant to section 2 (b) of this act; and

(b) the officer or agency of the State of California authorized by law to grant permits for the appropriation of water shall have granted such permits to the United States of America and shall have granted permits to the Fallbrook Public Utility District for rights to the use of water for storage and diversion as provided in this act; including, as to the Fallbrook Public Utility District, approval of all requisite changes in points of diversion and storage, and purposes and places of use;

(c) the Fallbrook Public Utility District shall have agreed that it will not assert against the United States of America any prior appropriative right it may have to water in excess of that quantity deliverable to it under the provisions of this act, and will share in the use of the waters impounded by the De Luz Dam on the basis of equal priority and in accordance with the ratio prescribed in section 3 (a) of this act;

(d) a net safe yield of not less than 20,000 acre-feet per annum after the first filling of the conservation storage space of De Luz Reservoir can reasonably be expected under the permits granted by the State of California in clause (b) hereof, after considering the exercise or probable exercise of all existing rights to the use of water within the stream system of the Santa Margarita River, including rights to the use of water which the United States of America acquired according to the laws of the State of California either as a result of its acquisition of the lands comprising Camp Joseph H. Pendleton and adjoining naval installations, and the rights to the use of the water as a part of said acquisitions, or through actual use or prescription or both, since the date of that acquisition, and the hydrology of the Santa Margarita River determined in accordance with accepted engineering practices.

SEC. 2. (a) In the interest of comity between the United States of America and the State of California and consistent with the historic policy of the United States of America of Federal noninterference with State water law, the Secretary of the Navy shall promptly comply with the procedures for the acquisition of appropriative water rights required under the laws of the State of California as soon as he is satisfied, with the advice of the Attorney General of the United States, that such action will not adversely affect the rights of the United States of America under the laws of the State of California.

(b) The Department of the Navy will not be subject to any charges or costs in connection with the De Luz Dam or its facilities, except upon completion and then shall be charged in reasonable proportion to its use of the facilities under regulations agreed upon by the Secretary of the Navy and Secretary of the Interior.

SEC. 3. (a) The operation of the dam and other facilities herein provided shall be as

agreed to by the Secretary of the Navy and the Secretary of the Interior. In that operation, 60 percent of the water impounded by De Luz Dam is hereby allotted to the Secretary of the Navy; 40 percent of the water impounded by De Luz Dam is hereby allotted to the Fallbrook Public Utility District. The Department of the Navy and the Fallbrook Public Utility District will participate in the water impounded by De Luz Dam on the basis of equal priority and in accordance with the ratio prescribed in the preceding sentence: *Provided, however*, That at any time the Secretary of the Navy certifies that he does not have immediate need for any portion of the aforesaid 60 percent of the water, the official agreed upon to administer the dam and facilities is empowered to enter into temporary contracts for the delivery of water subject, however, to the first right of the Secretary of the Navy to demand that water without charge and without obligation on the part of the United States of America upon 30 days' notice as set forth in any such contract with the approval of the Secretary of the Navy: *Provided, further*, That all moneys paid in to the United States of America under any such contract shall be covered into the general fund of the Treasury, and shall not be applied against the indebtedness of the Fallbrook Public Utility District to the United States of America.

(b) The general repayment obligation of the Fallbrook Public Utility District (which shall include interest on the unamortized balance of construction costs of the project allocated to municipal and domestic waters at a rate equal to the average rate, which rate shall be certified by the Secretary of the Treasury, on the long-term loans of the United States outstanding on the date of this act) to be undertaken pursuant to section 1 of this act shall be spread in annual installments, which need not be equal, over a period of not more than 56 years, exclusive of a development period, or as near thereto as is consistent with the operation of a formula, mutually agreeable to the parties, under which the payments are varied in the light of factors pertinent to the irrigators' ability to pay. The development period shall begin in the year in which water for use by the district is first available, as announced by the Secretary, and shall end in the year in which the conservation storage space in De Luz Reservoir first fills but shall, in no event, exceed 17 years. During the development period water shall be delivered to the district under annual water rental notices at rates fixed by the Secretary and payable in advance, and any moneys collected in excess of operation and maintenance costs shall be credited to repayment of the capital costs chargeable to the district and the repayment period fixed herein shall be reduced proportionately. The Secretary may transfer to the district the care, operation, and maintenance of the facilities constructed by him under conditions satisfactory to him and to the district and, with respect to such of the facilities as are located within the boundaries of Camp Pendleton, satisfactory also to the Secretary of the Navy.

(c) For the purposes of this act the basis, measure, and limit of all rights of the United States of America to the use of water to which this act pertains shall be the laws of the State of California.

(d) Nothing in this act shall be construed as a grant or a relinquishment by the United States of America of any of its rights to the use of water which it acquired according to the laws of the State of California either as a result of its acquisition of the lands comprising Camp Joseph H. Pendleton and adjoining naval installations, and the rights to the use of water as a part of said acquisition, or through actual use or prescription or both, since the date of that acquisition, or to create any legal obligation to store any water in De Luz Reservoir, to the use of which it has such rights, or to require the

division under this act of water to which it has such rights.

(e) Unless otherwise agreed by the Secretary of the Navy, De Luz Dam as herein provided shall at all times be operated in a manner which will permit the free passage of all of the water to the use of which the United States of America is entitled according to the laws of the State of California either as a result of its acquisition of the lands comprising Camp Joseph H. Pendleton and adjoining naval installations, and the rights to the use of water as a part of said acquisitions or through actual use, or prescription or both, since the date of that acquisition and will not be administered or operated in any way which will impair or deplete the quantities of water to the use of which the United States of America would be entitled under the laws of the State of California had that structure not been built.

SEC. 4. After the construction of the De Luz Dam, the official operating the reservoir shall deliver water to the Fallbrook Public Utility District, pursuant to regulations agreed upon by the Secretary of the Navy and the Secretary of the Interior, as follows:

(1) Not in excess of 1,800 acre-feet in any year until the reservoir attains an active content of 63,000 acre-feet;

(2) Not in excess of 4,800 acre-feet in any year after the reservoir attains an active content of 63,000 acre-feet and until said reservoir attains an active content of 98,000 acre-feet; and

(3) Not in excess of 8,000 acre-feet in any year after the reservoir attains an active content of 98,000 acre-feet and until the conservation storage space of the reservoir has been filled.

SEC. 5. The Secretary of the Army through the Chief of Engineers, acting in accordance with section 7 of the Flood Control Act of 1944 (58 Stat. 887) is authorized to utilize for purposes of flood control such portion of the capacity of De Luz Reservoir as may be available therefor.

SEC. 6. There are hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, \$22,636,000, the current estimated construction cost of the Santa Margarita River project, plus or minus such amounts as may be indicated by the engineering cost indices for this type of construction, and, in addition thereto, such sums as may be required to operate and maintain the said project.

SEC. 7. From time to time the Attorney General, the Secretary of the Interior, and the Secretary of the Navy shall report to the Congress concerning the conditions specified in section 1 of this act, and the first report thereon shall be submitted to the Congress no later than 1 year from the date of enactment of this act.

PROGRAM FOR REMAINDER OF THE WEEK

Mr. KNOWLAND. Mr. President, it is not intended that the Senate proceed with the consideration of the unfinished business tonight. I made the motion merely to make the bill the unfinished business.

When the remarks of the Senator from Nevada [Mr. MALONE], remarks by other Senators, and insertions in the RECORD shall have been concluded, it is the intention of the majority leader to move that the Senate stand in recess until noon on Thursday next.

Following the morning hour on Thursday, there will be memorial services for the late Senator Hoey, of North Carolina, an order for which services has been previously agreed to.

I believe that there is to be a joint meeting of the two Houses on Friday. However, there will be a further announcement in that connection at a later date.

TRADING WITH THE NATION WE ARE PREPARING TO FIGHT: STRATEGIC METALS POUR THROUGH BATTLE ACT LOOPHOLES TO COMMUNISTS

Mr. MALONE. Mr. President, we are now trading with the nation we are preparing to fight, through financing the European nations which are increasing their trade with Russia, the Iron-Curtain countries and Communist China.

Strategic and critical metals and materials are pouring into Russia and Communist China through those nations, by reason of loopholes in the Battle Act.

On Friday the junior Senator from Nevada had occasion to discuss these loopholes which have enabled both this and the previous administration to condone, or at best ignore, shipments of strategic and critical materials to Soviet Russia and her satellites by nations to which we are extending millions of dollars in foreign aid.

In my remarks Friday I recalled that a few years ago Congress passed what was known as the Wherry-Malone-Kem resolution, which prohibited the giving of any assistance to any foreign nation which traded in strategic goods with our potential enemies. As I stated then, this resolution stopped that trade cold in its tracks.

Subsequently the Battle Act was passed on the pretext that it would accomplish similar objectives, but which in fact negated the announced objectives and the act's effectiveness. This was done by giving the President the option of enforcing or waiving provisions to withdraw foreign aid from countries supplying Soviet Russia and her satellites with strategic and critical materials.

The purpose of this loophole, Mr. President, obviously was to assure continuance of foreign giveaways to countries trading with Communists and Communist governments regardless of the danger and risks involved to our own national security.

The junior Senator from Nevada is well aware of the attempts to minimize the strategic importance of shipments that admittedly have been sent to Communist countries by nations we are subsidizing with billions in foreign aid.

These efforts on the part of our professional foreign aiders are understandable in light of their determination to continue their vast handouts to foreign countries whatever the risk may be to our country or the cost to American taxpayers.

IRON CURTAIN NOT CLOSED TO SO-CALLED EMBARGO ITEMS

Thus, although some \$15 million in actual embargo items were "knowingly permitted"—and I take the phrase "knowingly permitted" from Mr. Harold E. Stassen's recent report to Congress on "East-West trade trends" under the Mutual Defense Assistance Control Act

of 1951, better known as the Battle Act—American aid was continued to these countries by Presidential direction.

On August 1, 1953, for example, the President notified the Congress that aid would be continued to the United Kingdom, Norway, West Germany, and France, despite shipment by them of embargo items to Communist nations.

Mr. President, the United States maintains a list of 77 strategic and critical minerals, metals, and materials, which include lead, copper, tin, rubber and other materials essential to any war effort.

The junior Senator from Nevada has consistently held that any mineral, metal, or material sufficiently important to be included on the list of materials considered strategic and critical to the defense of the United States, is strategic and critical also to Soviet Russia's build-up for their intended aims at world conquest, strategic and critical to Red China, and strategic and critical to Red Poland, Red Hungary, Red Czechoslovakia, and other Red satellites.

The junior Senator from Nevada cannot acquiesce to the theory of our pro-foreign trade and aid officials that metals on our strategic and critical list become harmless, peaceful goods the moment a recipient of our foreign aid ships them to Communists behind the iron curtain.

SEEPAGE OF STRATEGIC METALS CITED

In this connection, Mr. President, I wish to call attention to an excellent and well documented article published in the Friday, May 21 issue of the American Metal Market, under the page 1 heading "Seepage of Metals Behind Iron Curtain via European Ports."

The junior Senator from Nevada asks unanimous consent that this article from the American Metal Market of Friday, May 21, 1954, be placed in the RECORD at this point in his remarks.

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

SEEPAGE OF METALS BEHIND IRON CURTAIN VIA EUROPEAN PORTS—INDIRECT PURCHASES IN SMALL LOTS SAID TO BE FLOWING STEADILY

WASHINGTON, May 20.—Although it will not show up in the export figures of the free world nations there is a steady movement of strategic metals from them to the Soviet bloc through the free ports of Europe.

In transit trade reports from and to the satellite nations through the free ports, made available by the European Division of the Bureau of Foreign Commerce of the Department of Commerce, show a constant pattern of shipments. As a rule, this trade is not in substantial quantities but now and then a large shipment is made, indicating that the free countries of the world are not averse to dealing with the satellite nations if the price is right.

In return for raw metals and durables, the free world gets from the Soviet bloc such things as feathers and down, boar bristles, bird skins, some barley, dyestuffs, flax, rags and textile waste, confectionery and pastry, paper and pulp. On that list is not a pound of strategic metal, except for platinum which the Soviet has been exporting along with gold, to create purchasing power in Western currencies.

In this trade the free world nations do not sell directly to the Soviet bloc. Shipments are made to the free ports and the

record shows only that the destination of these materials is Antwerp or Rotterdam or Hamburg. But the in-transit figures of these ports show that shipments went to Poland, to Hungary, or to the U. S. S. R. itself.

At the moment, the in-transit trade statistics for the port of Antwerp alone are available. They represent probably a substantial part of the trade with the Soviet bloc and show the pattern clearly.

Of the nonferrous metals, the largest trade in 1953 was in lead. Major shipments through Antwerp to the satellite nations in 1953 totaled 22,575 tons. This trade was stepped up toward the end of the year to a total of 8,062 tons in November and December. In January 1954 the transit report shows that 3,650 tons of lead went from the United Kingdom and was shipped to the U. S. S. R.

The heaviest single shipments during 1953 were from Spain (2,220 metric tons to the U. S. S. R.) and from the United Kingdom (2,695 tons to the U. S. S. R.). Spain also shipped tonnages ranging from 500 to 700 tons which found their destinations in East Germany, Poland, and Czechoslovakia. Some Australian lead also went through Antwerp to the Soviet bloc in the 1953 period. The largest shipment was 300 tons, which went to Czechoslovakia. France also contributed one 500-ton shipment to the U. S. S. R. Thirteen shipments of free world lead went to the U. S. S. R. and nine shipments to Czechoslovakia.

France and West Germany shipped iron and steel to Antwerp in 1953, which came to rest in Poland and even in Red China. The China shipment was 2,523 tons of sheet iron and steel which had its origin in France. In April 1953 France shipped 17,046 tons of steel to Antwerp which went to Poland. West Germany is in the pattern of shipments with sheet iron and steel and hoop iron or steel which finds its destination in Poland. One shipment of 2,589 tons of hoop iron or steel and one of 598 tons show the pattern for 1953.

COPPER

Some copper is going behind the Iron Curtain through the free ports, but whether in substantial quantities or not cannot be determined by the intransit records of Antwerp for 1953. However, this is not regarded by Commerce authorities as the whole story. The records of the major shipments through Antwerp in 1953 show 4,797 tons of raw copper went to the Soviet bloc. But it must be remembered that this is a shifty operation and Antwerp may not have been in the port of transit for copper in 1953. Commerce officials point out that the trade is shifted from one port to another when the quantities become so large that they may attract attention. What seems to be nothing more than a trickle of strategic materials from the free world through the Iron Curtain may be a steady stream. Some United States authorities are of the opinion that over the years, and if it continues, this stream may carry substantial quantities of strategic materials to stock the arsenals of the Communist world.

Close observers in the Government of this trade emphasize that intransit shipments of strategic metals through the Iron Curtain go on without the countries of origin being able to do anything about it. Buyers in Rotterdam or Antwerp make the offers to purchase and the free countries cannot always regard them or prove them suspect. The transactions must be regarded as legitimate. The materials are delivered to addresses in the free port and from there they go to Russia or the satellite countries.

SMALLER PORTS OF EUROPE

There is grave suspicion that much of this trade is carried on through some of the smaller free ports of Europe. The pattern

shows that there is a shift from one port to another, and that one port will show heavy transit trade in one metal for a period and then in another metal for the following period. There is also strong evidence that the shipments are kept small to avoid attracting attention.

The conclusions of Government observers is that the transit shipments are for the most part small because the factories and war plants of the Soviet bloc usually need these smaller quantities to fill out their inventories, but that when they do need larger shipments they can get them in the amounts desired from the West through the free ports of Europe.

Mr. MALONE. Mr. President, the junior Senator from Nevada is hopeful that the above article from the American Metal Market will receive the attention it deserves from Mr. Stassen.

Mr. Stassen is director of the Foreign Operations Administration, our principal agency for foreign handouts. His responsibilities, as he sets forth in his recent report on East-West Trade Trends, includes administration of the Battle Act which, in the opinion of the junior Senator from Nevada, is one of the most ineffective bits of legislation enacted in the 82d Congress. It's utter uselessness, of course, is due to the gaping loopholes purposely written into it by the previous pro-foreign administration, and which were then and are now large enough for any administrator, including Mr. Stassen, to gallop through on horseback whenever the spirit of the act is being violated, by any foreign nation fattening on billions provided by our taxpayers.

As this act has been administered it has in no way deterred any foreign country from entering into trade agreements with Soviet Russia and her satellites.

AIDED NATIONS FLOCK TO SIGN TRADE PACTS WITH SOVIET

France, Greece, Argentina, Denmark, Iceland, India, and Belgium have in fact, signed new trade pacts with Soviet Russia since approval of the Battle Act, and likewise have continued to receive American assistance in varying forms.

Sweden, Norway, Finland, Egypt and Afghanistan have renewed trade agreements with Soviet Russia that had expired.

Mr. Stassen's report states that Communist satellite countries renewed about 45 trade agreements during the last year or so with European countries, and about a dozen with non-European countries.

Mr. President, on two different occasions, in 1948 and in 1949, the junior Senator from Nevada submitted to the Senate a list of 96 trade treaties made by 17 European countries who were benefiting under the Marshall plan—later called ECA, Mutual Security, and various other names in an effort to keep the public confused—with Russia and satellite nations. Since then many of the same nations have made trade agreements with China, and many of them, also, have recognized Communist China. In addition, they are promoting throughout the world the idea of trading freely with the Communist nations, while they are presumably preparing to fight the outstanding potential enemy of all, Russia, and giving lip service to backing the

United States in the event of such a conflict.

ARGENTINA'S INTEREST IN RED TRADE

Mr. President, in this connection, the junior Senator from Nevada asks unanimous consent to place in the RECORD at this point in his remarks an article written by Mr. Henry B. Lee titled "Argentina, Brazil Take Lead—South America Showing New Interest in Trade With Iron Curtain Countries," and appearing in the Washington Star of Sunday, May 23, 1954.

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

ARGENTINA, BRAZIL TAKE LEAD—SOUTH AMERICA SHOWING NEW INTEREST IN TRADE WITH IRON CURTAIN COUNTRIES

(By Henry B. Lee)

Iron Curtain countries are now selling in South American markets with the enthusiasm of a junior salesman and getting the results of a senior salesman. They have signed eight trade agreements recently with Argentina and Brazil. They are now casting covetous eyes at others.

While the Soviet bloc has been gaining an economic foothold in Argentina and Brazil, United States exports to those countries have tumbled about 50 percent. Between 1951 and 1953 our exports to Argentina dropped from \$233.1 million to \$104.2 million, to Brazil from \$699.8 million to \$295 million. Meanwhile, Communist trade with Argentina increased from nothing to 5 to 8 percent of the latter's external trade.

Trade with the Soviet and its friends is very small compared with South America's total world trade (1953 exports of \$7.6 billion and imports of \$6.4 billion). But it does represent a significant start.

The Soviet bloc is exchanging much-needed capital and consumer goods for surplus raw materials the South American countries can't sell elsewhere. It offers credit facilities and other advantages unavailable to our free-enterprise exporters.

RECENT SOVIET INTEREST

Russia had little or no trade with South America for about 35 years. There was, for instance, no trade with Argentina between 1946 and 1953. Then last August the 2 countries signed a trade agreement to exchange \$112 million in goods over a 12-month period. Argentina is exchanging wool, hides, mutton, butter, pork, canned beef, and linseed oil for aviation gas, other oil products, and sheet iron.

The two countries report this agreement is going so well that another is already under discussion, and an Argentine mission is reported in Moscow now picking up \$30 million worth of machinery for its oil and coal industry, power stations, farms, and railroads.

The latest pact is with Rumania, calling for the exchange of farm products for light industry, oils, and other products.

Argentina bought 3,700 Zetor tractors from Czechoslovakia and is shopping there for machinery and textile plants. It bartered \$21 million worth of rye to Poland for coal and cement. It has been negotiating a trade agreement with East Germany and a Red Chinese trade delegation is about to arrive in Buenos Aires.

BRAZIL'S TRADE

Brazil now has trade pacts with Poland, Czechoslovakia, and Hungary. It is considering trade pacts with Rumania, Bulgaria, and East Germany.

If Joao Alberto Luis de Barras, former chief of the foreign office's economic division and now Brazil's trade representative in Geneva, has his way, Brazil will swing open the trade gates to Russia and her satellites. He says the cold war is a political

fight between the United States and Russia, so Brazil should look out for its own welfare and cultivate trade with the Soviet bloc.

De Barras learned his politics as a crony of President Getulio Vargas and learned his economics as a cowboy in south Brazil.

Russia has been suggesting it may buy 100,000 tons of Chile's surplus copper. Russia is perhaps not unmindful that Chile's copper surplus is a perennial problem and the United States economy cannot absorb it economically.

Although Russia and her satellites are not buying in the cheapest market and selling in the dearest one, Russia seems to like this new trade and wants more of the same. It recently invited all Latin American countries to send representatives to Moscow this September to talk more trade. If they want more trade, Russia says it would accept delayed payments and also take Latin American currencies.

The representatives would get the full and free treatment, too—a month in the Soviet Union, travel about the country, and inspections of Soviet developments in industry and agriculture.

BACKFIRE POSSIBILITIES

The State Department is not yet concerned about Soviet advances and North American reverses in South American markets. No strategic goods have yet been shipped by the Latins behind the Iron Curtain. In fact, some think this Communist venture may backfire.

"We know that Russia is making the satellites send critically needed goods to these Latin countries for goods that are not much needed behind the Iron Curtain," a State Department spokesman explained. "Russia expects to open trade channels in which they can ship along their propaganda. But the satellites will soon see that they are being denied the fruits of their own labor, so other countries may enjoy them."

"Then, too, the Communists deny themselves industrial goods of strategic importance. The goods they acquire in exchange are often surplus commodities, sometimes glutting the world markets."

Although this trade has cut into only a small part of the South American market, there may be trouble ahead for the United States, both economically and politically.

Economically, these trade agreements deter United States efforts to promote competitive multilateral trade based on comparative advantage. Instead, they promote bilateral trade based on uneconomic bartering and tuned to control economies.

Countries like Argentina and Brazil, for instance, cannot export sufficiently to the United States because of tariff barriers or competitive factors. So they cannot get the foreign exchange they need to import from the United States. To maintain domestic stability and equilibrium in their balance of payments, they return to bilateral clearing agreements and barter trade with controlled economies like Russia. This trade promotes discriminatory trade practices like import quotas and exchange restrictions.

PROBLEM FOR RIO

Politically, these trade agreements are a challenge to American leadership in the free world economy. Russia is evidently anxious to engage in uneconomic trade in South America in order to lure United States allies out of the currents of multilateral free trade. It would sacrifice a certain amount of wealth for power.

This is an increasing problem that may hover about the Inter-American Economic Conference scheduled at Rio de Janeiro this fall. This meeting is to study some hemispheric economic problems the United States was not ready to consider at the 10th Inter-American Conference at Caracas early this year.

Mr. MALONE. Mr. President, the junior Senator from Nevada notes with particular interest the reference in Mr. Lee's article to Russia's "suggesting that it may buy 100,000 tons of Chile's surplus copper."

The General Services Administration on May 20, 1954, signed a contract for the purchase of 64,000 tons of Chilean copper, and on May 24 signed a contract for 36,000 tons more of Chilean copper, a total of 100,000 tons, or the same amount that Mr. Lee reports Russia has suggested obtaining from Chile.

The General Services Administration has agreed to pay 30 cents per pound for the copper it purchases from Chile, and it will be interesting to know what the terms will be of Russia's contemplated purchase should its deal with Chile go through.

It is also interesting to note that that price is more per pound by several cents than is offered for domestic copper, even though the actual wages in Chile are about one-fourth or one-fifth of the wages in the United States.

CONCESSIONS TO CHILE CONTINUE

The General Services Administration's purchase will, of course, be for the Government stockpile, copper being one of the 77 materials on our own list of critical and strategic materials.

Purchase of Chilean copper for our stockpile is definitely one form of foreign aid to Chile, and is so intended. The announcement that the purchase was being negotiated was made, in fact, on March 25, 1954, by the Department of State.

Russia's contemplated purchase, should it go through, will again point out the travesty of the Battle act. It would be very difficult, in the opinion of the junior Senator from Nevada, for the administration to construe this as a mere mild trade in peaceful goods, when the metal is critical and strategic to our own welfare and security.

Producers of Chilean copper for several years have enjoyed further benefits and concessions from the United States through waiver of the 2 cents per pound duty on copper imported from Chile into the United States. The House of Representatives has just voted to extend this important concession, and at a time

when Soviet Russia, according to Mr. Lee's article, is suggesting to Chile that it may buy 100,000 tons of copper from it also.

EAST-WEST TRADE TRENDS

Mr. President, in conclusion, I ask unanimous consent to place in the RECORD at this point two brief tables from Mr. Stassen's report on "East-West Trade Trends" one titled "Free-World Exports to the Soviet Bloc, Monthly, 1952 and 1953," and Free-World Exports to Communist China, Semiannual, 1952 and 1953," both in millions of United States dollars.

In the latter, it may be of interest to note, the huge volume of exports to Red China from British Hong-Kong, which reached \$63,700,000 in the first half of 1953, but dropped to half that amount during the second half following inter-ruption of the shooting war in Korea.

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

TABLE 4.—Free-world exports to the Soviet bloc, monthly, 1952 and 1953
[In millions of United States dollars]

Month	Total Soviet bloc	European satellites	U. S. S. R.	China
1952:				
January.....	107.8	58.7	39.1	10.0
February.....	121.4	51.3	48.9	21.2
March.....	129.2	67.8	53.4	8.0
April.....	114.8	53.1	40.7	21.0
May.....	139.4	52.4	52.5	34.5
June.....	109.4	56.1	30.7	22.6
July.....	118.0	53.5	39.2	25.3
August.....	125.4	53.2	39.3	32.9
September.....	89.5	45.6	23.9	20.0
October.....	104.6	50.4	34.6	19.6
November.....	120.4	55.7	40.1	24.6
December.....	139.3	72.5	38.0	28.8
1953:				
January.....	119.3	54.9	25.9	38.5
February.....	97.1	48.6	23.5	25.0
March.....	123.9	61.2	33.3	29.4
April.....	110.9	53.2	26.8	30.9
May.....	88.4	43.4	25.8	19.2
June.....	100.9	51.9	27.2	21.8
July.....	104.4	55.2	30.7	18.5
August.....	113.2	56.1	37.8	19.3
September.....	90.3	47.7	30.0	12.6
October.....	118.4	50.7	46.8	20.9
November.....	140.1	67.0	50.6	22.5
December.....	144.1	68.7	53.2	22.2

NOTE.—Monthly data are preliminary and unrevised. Therefore, they will not add exactly to annual world totals. China data refer, wherever possible, to Mainland (Communist) China, including Manchuria and Inner Mongolia.

Source: Official trade statistics of the free world, compiled by U. S. Department of Commerce.

TABLE 6.—Free-world exports to Communist China, semiannual, 1952 and 1953

[In millions of United States dollars]

Country	First half 1952	Second half 1952	First half 1953	Second half 1953	Major items in 1953
Free-world exports, total.	112.8	143.7	158.9	111.1	
Hong Kong.....	29.1	61.9	63.7	30.9	Medicine, dyestuffs, fertilizers, machinery.
Ceylon.....	12.5	13.5	25.0	25.9	Rubber, coconut oil.
West Germany.....	.2	2.6	13.7	11.3	Iron and steel, scientific instruments, electrical machinery.
United Kingdom.....	1.9	10.9	8.7	8.8	Wool tops, mechanical handling equipment, sodium compounds, piece goods, ammonium sulphate, textile machinery.
Egypt.....	2.5	6.4	4.9	5.5	Cotton.
Switzerland.....	2.5	3.5	10.0	5.5	Watches, coal tar dyes, indigo.
Finland.....	.1	6.5	1.0	4.4	Paper, cellulose, copper semi-manufactures.
Australia.....	.2	.4	1.4	3.9	Greasy wool, wool tops.
Pakistan.....	84.5	29.4	3.6	3.7	Cotton.
France.....	.9	2.4	9.7	2.7	Iron and steel, machine tools, chemicals, and pharmaceuticals.
Japan.....	.3	.2	2.3	2.2	Textile machinery, seaweed, superphosphates, medicines.

¹ Estimate.

TABLE 6.—Free-world exports to Communist China, semiannual, 1952 and 1953—Con.

[In millions of United States dollars]

Country	First half 1952	Second half 1952	First half 1953	Second half 1953	Major items in 1953
Netherlands.....	(?)	(?)	2.6	1.3	Ammonium sulphate.
Italy.....	2.1	1.5	3.9	.8	Chemical fertilizer, artificial yarn, woolen blankets.
Sweden.....	.2	.4	2.3	.4	Paper and paper manufactures.
India.....	5.2	1.3	2.2	3.2	Jute bags.
Belgium-Luxembourg.....	.3	.3	1.3	.1	Ammonium sulphate and sulfonitrate.
Norway.....	(?)	1.7	.9	(?)	Paper.
Other.....	.3	.8	1.7	(?)	

² Less than \$50,000.

³ July-November only.

⁴ Not available.

NOTE.—Totals and Swiss data are adjusted to exclude those watches known to be destined for Hong Kong and Malaya. So far as possible, data refer to Mainland (Communist) China, including Manchuria and Inner Mongolia.

Source: Official trade statistics of free-world countries, compiled by U. S. Department of Commerce.

COLD WAR MEANS ECONOMIC WAR

Mr. MALONE. Mr. President, they should make up our minds. We either have a dangerous potential enemy, or we have not. For several years we have called the situation a cold war. A cold war can be only an economic war. Can it be an economic war when we finance European nations so they can build factories and equip mines to furnish Russia and Communist China with material with which their fighting forces can wage war against us?

Mr. President, Communists can continue to kill our boys in isolated areas in Korea, Indochina, or in an all-out war, with material paid for by fathers and mothers of our fighting men through taxes levied by the Congress of the United States.

BENSON DAIRY PLAN A FAILURE

Mr. HUMPHREY. Mr. President, I ask unanimous consent that some remarks prepared by me, and which I had expected to deliver in the Senate today, be printed in the RECORD at this point as a statement.

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

STATEMENT BY SENATOR HUMPHREY

It is now nearly 2 months since the ill-advised Benson-Eisenhower plan of slashing dairy price supports went into effect. It seems only fair that we take an inventory of what has happened, and compare the results with the promises and assurances given us by the proponents of this plan to pull the rug out from under America's dairy industry.

During extensive debate on this floor in an attempt to avert this serious economic blow to a major segment of American agriculture, I repeatedly warned that cutting prices to dairy farmers would not solve any of our current dairy problems.

Members of this body will recall my insistence that lower dairy prices would not result in lowered production, would not result in any substantial increase in consumption, and would not bring about any reduction in Government purchases.

Other claims to the contrary were made upon this floor, and emblazoned across the country through the press as a result of Secretary Benson's propaganda campaign.

Secretary Benson and his vocal clique of ardent supporters, among groups historically opposed to the farmer, repeatedly claimed lowering of price supports would mean curtailed production, would mean increased

consumption, and would mean easing the burden and cost of Government purchases.

Let us see who was right, and who was wrong.

All that has happened since April 1 is less money in the farmers' pockets.

Production has increased, rather than decreased.

Government purchases are increasing, rather than decreasing.

Consumption has shown no significant increase; there has been no evidence of any substantial change in the butter-eating habits of the American people, and I doubt very much if consumers have found they are making any big savings in the cost of living.

Let us take a look first at trends in milk production.

The May 1 crop report issued by the Department of Agriculture shows that milk output rose to a new all-time high total for April of 11,345,000,000 pounds—a sudden new jump during the first full month since Secretary Benson cut dairy price supports 15 percent in an effort to discourage milk production.

That April production figure is 435 million pounds over April production of last year. So far this year, milk production has run 1,754,000,000 pounds ahead of last year's 4-month output.

In the St. Paul Pioneer-Press of Tuesday, May 11, there appeared a story on that production report entitled "Wheat Crop Dip Seen, But Milk, Egg Output Soars." The article was written by Al Stedman, recognized as one of the Midwest's finest farm editors, and is as follows:

"WHEAT CROP DIP SEEN BUT MILK, EGG OUTPUT SOARS

(By Alfred D. Stedman)

"Uncle Sam's wheat surplus headache looks better for 1954.

"But milk still is flowing in an embarrassing flood.

"And the Nation's hens are laying eggs at a terrific rate, promising price trouble.

"Such was the gist of the Federal Government's May 1 crop report, issued Monday afternoon by the Department of Agriculture in Washington.

"Despite a modest recovery from drought damage, the 1954 wheat crop still is forecast to run 237 million bushels below that of last year because of drought and sharply reduced plantings under Government acreage and marketing controls.

"Wheat down from 1953

"A crop of winter wheat, sown last autumn and already heading out in Southern and Eastern States, was forecast at 677,981,000 bushels. While that is 29 million bushels up from the estimate a month earlier, it is 200 million below last year's winter wheat crop. Assuming average yield, there will be

an additional decline of 37 million bushels as a result of smaller spring wheat acreage.

"Such a drop, if it actually materializes, will mean wheat at last is rounding the turn from huge surplus production toward crops of more manageable size.

"But Uncle Sam is having no such luck on milk.

"Milk production jumps

"Scratching his head with puzzlement over what to do with more than a billion pounds of surplus dairy products, he was hit by a new jump in milk production during April, the first month since Secretary Benson cut dairy price supports 15 percent in an effort to discourage milk production.

"Milk output rose to a new all-time high total for April of 11,345,000,000 pounds, the department reported. That is up 435 million pounds over April production last year. So far this year, milk production has run 1,754,000,000 pounds ahead of last year's 4-month output. For a time, this jump apparently is going to force the Government to buy more dairy products in supporting dairy prices at 75 percent of parity than it had to buy to sustain the 90 percent of parity supports. The Government's Minneapolis buying office purchased last week more than 2 million pounds of butter, 3½ million pounds of cheese and 10 million pounds of milk powders. It sold 28 million pounds of powered milk under the Government's livestock fed program.

"Though there's a natural lag, ultimately the lower dairy prices will be reflected in a downturn in production, officials are confident. But for the present, the dairy surplus is rising instead of declining. Peanuts and hay were reported a little better than a year ago.

"As for the hens, they laid 6,271,000,000 eggs in April. That is 183 million more than they produced in April 1953."

I should like to call attention to one paragraph in that article, where Mr. Stedman comments:

"For a time, this jump [in dairy production] apparently is going to force the Government to buy more dairy products in supporting dairy prices at 75 percent of parity than it had to buy to sustain the 90 percent of parity supports * * * the dairy surplus is rising, instead of declining."

What Mr. Stedman says is true. I shall document it further later in my remarks. But I cannot help calling attention, at this point, to how this crop report refutes all the arguments of the flexible price support sponsors about lower support prices bringing lower production.

Wheat, with 90-percent support still in effect, is showing a production decline.

Dairy products, at 75 percent of parity, are showing an increase.

And eggs, without any support and with disastrously low prices at the present time, are obviously in for more trouble as a result of a similar increase in production.

Why is dairy production increasing, in face of lower prices?

I have warned repeatedly that the only alternative dairy farmers would have in trying to exist under such depressed prices would be to increase their production.

Costs remain fixed, and the farmer must seek some way to at least break even on his overhead.

It amazes me to find that some people now seem surprised to discover what is happening. If they had listened to anybody from out in the great dairy producing areas, if they had listened to the dairymen themselves, they would have known what to expect.

The Wall Street Journal has been one of the strong boosters of Secretary Benson's efforts to lower or get rid of price supports. It has frequently carried his arguments that it would solve the surplus problem. Now,

the Wall Street Journal has sent a reporter out to Minnesota to follow up on what has happened. I have here a clipping of his report, published on the front page of the Wall Street Journal for May 11. Its headline says: "Bitter Buttermen: Some Dairymen Say They'll Hike Herds, With Price Prop Cut; Champion Minnesota Butter County Seethes: A Typical View: Why Pick on Us?"

From my own observations, I know this article is an accurate reflection of what is happening.

This is no partisan report from a political writer previously critical of Secretary Benson. It is the Wall Street Journal's report, based in its opening part on an interview with a banker in one of Minnesota's leading dairy counties.

The Wall Street Journal article to which I have referred is as follows:

"BITTER BUTTERMEN—SOME DAIRYMEN SAY THEY'LL HIKE HERDS, WITH PRICE PROP CUT—CHAMPION MINNESOTA BUTTER COUNTY SEETHES; A TYPICAL VIEW: WHY PICK ON US?—MR. KLEINSCHMIDT'S OPINION

"(By James N. Wallace)

"SAUK CENTRE, MINN.—Here in the biggest butter-producing county in the biggest butter-producing State many dairymen are giving this answer to lower price props on butter: More production—which may mean a still bigger Government stockpile.

"Many dairymen already are planning to build up their herds so they'll have more milk to offset lower prices," reports W. J. Kleinschmidt, Sauk Centre banker who keeps close tabs on farmer plans.

"Milk output will stay at least at present levels," predicts William J. Haggerty, manager of the Farmers Creamery at nearby Watkins (population 584). "Some farmers say they'll let the tall go with the hide and forget about dairying for a while, but others will buy more cows. I don't think we'll see any real reduction in milk production."

"The April 1 cut

"With the Nation's hoard of butter mounting higher by the week, with housewives shifting to margarine in growing numbers, and amid a wave of consumer resentment at unfounded rumors of a big cut-rate butter sale to the Russians, Secretary of Agriculture Benson lowered the butter price support on April 1. He dropped the prop from 90 percent of parity to 75 percent, aiming to cut output. But since the props were lowered, the Government has had to resume butter buying.

"Moves to increase production probably will be most evident in northern Minnesota, where land and weather combine to make dairying the farmers' best bet. In the southern part of the State, there is more chance for farmers to switch to hogs or cash grain crops. Everywhere in the State, the big investment dairymen have in barns and equipment will tend to keep production up. These facilities can't be quickly and cheaply adapted to other types of farming.

"To be sure, it's by no means certain that dairymen here and elsewhere will keep the production throttle open indefinitely. Farmers, like other businessmen, change their plans when it's to their advantage to do so. But talks with dairymen here indicate that for now, anyway, herds and output will stay at or above present levels.

"It is a cinch the river of milk won't diminish in the next month or two. Spring rains pelting the rolling dairyland hills are bringing lush pastures for bossy, who'll respond by putting more milk into the farmer's pail. Green summer pastures will delay the answer as to whether dairymen increase or decrease their herds, says Dr. Fred Koller, University of Minnesota dairy marketing specialist.

"A good thing

"Dr. Koller won't predict what the dairymen are likely to do about their production, but he's certain there won't be much abandonment of dairying. He gives these explanations:

"There's still a possibility that Congress will restore 85 percent of parity for dairy products and dairying would be a very good thing with an 85 percent support and no production controls. Even at 75 percent of parity, and no production controls, dairying is a good thing for many farmers because they're more efficient than back in 1945-46."

"While Stearns County farmers weren't surprised that the dairy industry was the first to have supports axed, there's still bitterness over the extent of the drop. Most expected supports would be cut 5 percentage points this year and 5 to 10 points more next year. Especially irritating to the dairymen is the fact that some other crops have been held at 90 percent of parity, including some of their feed grains.

"Typical of dairyman belief that they've been unfairly singled out is the statement of W. F. Haag of Eden Valley, a member, to be sure, of the outspoken and liberal National Farmers Union, which wants 100 percent of parity for all farm products.

"Tractors, taxes, strikes

"I don't care what price I get for milk," he avers, "if other prices are in line. But they aren't. Look at that tractor there; costs as much as it ever did. You can't get a carpenter for under \$2 an hour, and they tell us taxes are going higher. Sometimes I think us farmers ought to go on strike and produce just half as much, then try to get twice as much for it."

"In this land of big red barns and small white houses, an intensified reaction to the support-price slash is expected after April milk checks are mailed to farmers in a week or two.

"That next check will really hurt, and there'll really be some hollering then," says Leo Goodman, manager of the Freepport Cooperative Creamery, largest here in Stearns County. When he writes the next batch of checks, Mr. Goodman will have to pass along price cuts he's already taken.

"Butter shipped from the creamery in April brought an average of 56 cents a pound, against 64.5 cents in March, Mr. Goodman relates. "Manufacturing, labor and packaging costs are as high as ever, and freight rates are the highest ever. The farmer will have to take the licking because creameries can't absorb the difference."

"Tighter-belts talk

"Talk to dairymen, other creamery operators and businessmen in the neat little Stearns County towns and you'll find there's some belief that there'll be belt-tightening before long.

"I guess we'll have to live a little cheaper," says Norbert Hiltner, Melrose dairyman. "I don't see any way to farm cheaper with prices we pay still going up. Might try to sell more milk, but it takes a while to get more cows fresh."

"Our farmers will face about a 10-percent cut in dairy income, and they've already made some retrenchments," reports County Agent Ed Lenzmeier. He says new machinery sales and farm building already have dipped a bit and that "farmers will make their cars last another year."

"And listen to Carl H. Lewis, manager of the Sauk Lake Cooperative Creamery. "Sure the support cut will hurt; it'll hurt like hell. Right from this creamery we'll be paying out \$80,000 less a year to the farmers."

"Word from Belgrade

"We'll pay out about \$5,000 less a month; that doesn't sound like much, but it means

a lot in a small community like this," adds Ray Brandt, manager of the Farmers Cooperative Creamery in Belgrade (population: 553).

"Of course, farmers are reluctant to buy. Wouldn't you be if someone cut your paycheck?" asks Donald W. Otto, Sauk Centre implement dealer.

"Whether or not farmers cut back or build up their herds depends partly on the price of feed in the fall when the cows cannot be put on pasture. Also a factor is the price of cull cattle—the poor producers which are sold off, often for canning by meat packers. The cull cattle price has been so low for the past year that it paid to keep the marginal producers at work. But the cull cattle market may be headed lower, too, says the university's Dr. Koller. He notes that large marketings of beef cattle and hogs are forecast for mid-July and will likely depress cull prices more."

Let me just read the opening paragraphs:

"Here in the biggest butter-producing county in the biggest butter-producing State many dairymen are giving this answer to lower price props on butter: More production, which may mean a still bigger Government stockpile.

"Many dairymen already are planning to build up their herds so they'll have more milk to offset lower prices," reports W. J. Kleinschmidt, Sauk Centre banker, who keeps close tabs on farmer plans."

The remainder of the article supports that conclusion.

It should not be surprising that farmers try to step up production to offset lower prices.

Actually that is what the Department of Agriculture and our Extension Service are advising farmers to do.

They are telling farmers to be more efficient—to get rid of low-producing cows and replace them with higher-producing cows.

Let me provide some more evidence as to how lower prices are affecting production.

I have here a letter from the Marathon County Farmers Union in Athens, Wis., giving me some figures from the audit report of the Marathon Clark Co-op Dairy Association. The letter says in part:

"Had we been able to pay the same price in 1953 that was paid in 1952, our 250 patrons would have received over \$124,000 more money. At present prices the loss in income for 1954 will be considerably higher than in 1953."

Now I want to emphasize this next paragraph, which shows what happened in the face of falling prices:

"The lower price did not reduce production, but it increased considerably per farm for the first 3 months of 1954. The farmer has certain obligations to meet, and if the price goes down, he must produce more in order to meet those obligations."

The letter referred to in its entirety is as follows:

FARMERS EDUCATION AND COOPERATIVE
UNION OF AMERICA,
Athens, Wis., April 25, 1954.

HON. HUBERT H. HUMPHREY,
Senate Office Building, Washington,
D. C.

DEAR SENATOR HUMPHREY: While I with other groups of farmers from Wisconsin was in Washington last February, I had the honor of being present at the Senate galleries on February 24 to hear your speech regarding the then proposed cut in dairy products from 90 to 75 percent. Being very impressed by your remarks, I would like to give you a few figures from the audit report of the Marathon Clark Co-op Dairy Association of which I am president. The report shows that the drop in the price of dairy products did not come before 1953 because in 1952 we were able to pay the highest price for the milk delivered to our plant than had been paid

since 1948. Had we been able to pay the same price in 1953 that was paid in 1952, our 250 patrons would have received over \$124,000 more money. At present prices the loss in income for 1954 will be considerably higher than in 1953.

The lower price did not reduce production, but it increased considerably per farm for the first 3 months of 1954. The farmer has certain obligations to meet and if the price goes down he must produce more in order to meet those obligations.

As you well realize that this loss in income to the farmers means and how it will affect the Nation, I would like to extend to you an invitation to be guest speaker at the annual picnic of the Marathon County Farmers Union which will be held at Marathon, Wis., on Sunday, June 13.

Hoping to hear from you in the near future, I am,

Sincerely yours,

MARATHON COUNTY FARMERS
UNION,
BEN RIEHLE, Secretary.

We have seen what is happening to production. Now what is happening to consumption?

Some press reports eagerly claimed increased sales right after the cut in price supports went into effect. I believe any fair-minded person who followed this situation knows that some stores capitalized on the butter publicity, and ran cut-rate, loss-leader sales that did move more butter—but not as a result of Secretary Benson's action. And from all indications, the temporary spurt in sales did not mean actual increased consumption; people just bought more butter at the temporary bargain prices, curtailed buying later. As a result, only the same amount was actually consumed.

After the first flurry of special sales, I am informed there has been little substantial change in retail butter sales. That is perfectly understandable, as the cut in farm income makes very little difference in actual retail prices—too little difference to make butter competitive with margarine as far as price is concerned.

I know of no responsible leader in the butter trade who now claims the slight drop in retail butter prices will increase consumption anywhere near enough to absorb our temporary surplus supply. If that was the hope of Secretary Benson, it's obvious he is doomed to failure.

The Department is apparently encountering similar experience in price-cutting efforts to attract foreign sales.

An article from the St. Paul Dispatch of April 29, headed "Price Cuts Fail To Sell Dairy Surplus," an Associated Press dispatch from Washington, confirms my conclusions. The article is as follows:

"PRICE CUTS FAIL TO SELL DAIRY SURPLUS

"WASHINGTON.—The below-cost price tags Uncle Sam has posted on some of his surplus dairy products have failed so far to draw a rush of customers.

"Two and a half weeks ago, the Agriculture Department offered for export 325 million pounds of cheese at price levels prevailing in world markets. These levels were about 25 cents a pound, or 15 cents less than the Department paid for the cheese under a dairy price support program.

"Officials reported today that no buyers have appeared for this cheese, perhaps because some other important dairy-producing countries also have surpluses which they are attempting to sell.

"Last week, the Department offered surplus dried milk, processed for human consumption, to domestic processors for inclusion in livestock and poultry feeds. This milk, which cost the Government nearly 17 cents

a pound, was offered at 3½ cents. But as of Tuesday, no sales of this milk had been made.

"The Department offered to sell on a bid basis some of its 350-million-pound surplus of butter for use abroad in combination with nonfat dried milk and water to make liquid milk for human use. This practice is used in several foreign countries, particularly Japan. So far, no buyers have appeared.

"Early this month the Department also cut its export prices on nonfat dried milk. Its stocks total about 588 million pounds and cost nearly 17 cents a pound. The new foreign sales prices range from 10 to 11¼ cents.

"As of Tuesday no export sales had been reported for this product."

What about Government purchases? It should be obvious that increased production, without increased consumption, is going to mean increased surpluses piling up in Government hands—if we have an administration lacking in any more initiative about developing new ways to use such abundance than has been shown to date by the present administration.

On May 11, the Department of Agriculture issued a press release proudly proclaiming that, following the reduction in dairy price support levels on April 1, purchases of dairy products under the support program were smaller in April than in any month since the beginning of the year, and considerably below purchases in April a year ago.

What they did not tell us, however, is that the trade dumped dairy products heavily upon the Government prior to April 1 in anticipation of the price slash, depleting normal inventories that had to be built up again at lower prices during April. Nobody should be fooled, therefore, by the April figures on Government purchases.

A more normal test is what has been happening since the end of April.

From May 1 to May 18, a year ago, the Government purchased 22,100,000 pounds of butter, under a 90 percent price support program.

From May 1 to May 18 of this year, under a 75-percent price-support program, the Government has purchased 23,800,000 pounds of butter—an increase of 1,700,000 pounds.

Now look at dry skim milk. From May 1 to May 18 in 1953, the Department purchased 42,000,000 pounds. But from May 1 to May 18 of this year, under the lower price support plan of Secretary Benson, the Department purchased 44,000,000 pounds—an increase of 2 million pounds.

Yet in spite of these increased purchases, the dairyman is taking a beating. It makes some sense for the Government to buy surplus products if it protects the farm economy, but it does not make much sense to pile up surpluses when the farm economy is allowed to slide down the skids anyhow.

The April 1 drop in dairy prices is just now being felt by dairy farmers, as they receive their checks for milk delivered in April. I have just returned from a weekend trip to Minnesota, and I can assure the Senate the dairy farmers do not like the smaller checks they are getting.

An article from the May 19 edition of the Minneapolis Tribune, headed "Dairy Checks Show Effects of Lower Props," reads as follows:

"DAIRY CHECKS SHOW EFFECTS OF LOWER PROPS

"(By Sterling Soderlind)

"The April 1 drop in dairy price supports is being felt now by dairy farmers as they receive their checks for milk delivered in April.

"The average price producers received for grade A milk delivered in the Twin Cities in April was \$3.25 a hundredweight—down 23 cents from the March price.

"This is a blended price covering both fluid milk for bottling and manufacturing milk. Farmers received \$3.32 a hundredweight for base grade A milk and \$2.96 for grade A surplus milk. Surplus milk is that part of grade A milk production not needed for bottling purposes.

"The price of fluid milk for bottling paid to farmers supplying the Twin Cities market dropped 22 cents after the cut in dairy price supports from 90 to 75 percent of parity. Prices of fluid milk are set by Federal milk marketing orders. They are geared to butter, cheese, and dried skim milk, which are the only products directly affected by the parity cut.

"A further decline of 10 cents a hundredweight for milk delivered in May was predicted by George Peterson, general manager of Twin City Milk Producers Association. Farmers won't receive payment for this milk until mid-June.

"Milk bottlers have passed on some of the reduction in fluid milk prices to consumers.

"Home-delivered milk in Minneapolis is now 20 cents for the first quart and 16 cents for additional quarts. This represents a decline of 1 or 2 cents since the cut in price supports.

"The drop in support prices lowered the cost of butter (90 score) an average of 8 cents a pound for consumers. Cheese declined 4 or 5 cents.

"Dairymen believe April's price drop will be the biggest, but they foresee a continual decline in the months ahead as a result of the support cuts and seasonal dips."

But while farm income is falling, while Government costs are increasing, what about the big processors—the dairy middlemen?

I have here an article from the Journal of Commerce of April 19, 1954—a page 1 item about dairy processors. It is headed "Greenest Pastures Since '49—Dairy Processors Predict New Peaks in Net Income—Reductions in Price Supports, End of EPT, Cited as Key Reasons for Growth This Year."

Let me read the first sentence:

"Dairy processing companies, following last year's profit upturn, are in a position to report even better earnings in 1954 because of dairy price-support reductions and the end of the excess-profits tax."

Now I ask, Who is benefiting from reduced price supports? Certainly not the producer, whose income is being wiped out at the rate of \$600 million a year. Certainly not the Government, when it has to buy even greater quantities of butter and dried milk. Certainly not the consumer, who is feeling little difference in his cost of living.

But the processor—that is different. He made peak profits last year, while the farmer's income was falling; but that was not enough. He is out for even higher earnings this year, aided, according to the Journal of Commerce, by the action of a friendly administration in reducing dairy price supports.

The entire article from the Journal of Commerce of April 19, 1954, is as follows:

"GREENEST PASTURES SINCE '49—DAIRY PROCESSORS PREDICT NEW PEAKS IN NET INCOME—REDUCTIONS IN PRICE SUPPORTS, END OF EPT, CITED AS KEY REASONS FOR GROWTH THIS YEAR

"(By Ben Weberman)

"Dairy processing companies, following last year's profit upturn, are in a position to report even better earnings in 1954 because of dairy price-support reductions and the end of the excess-profits tax.

"Within the industry there is even guarded optimism that net income of some companies, like National Dairy Products Corp., will top peaks set in 1949, although it is still too early in the year to reach definite conclusions.

"Retail and wholesale price changes in dairy products generally lag behind cost

movements, so that a declining price trend is usually of considerable benefit to processors and adds importantly to their usually narrow profit margins. Rising prices cut into profit.

"Margins seen holding despite competition"

"The plentiful supplies of merchandise is stiffening competition within the industry but it is anticipated that margins will nevertheless hold.

"The favored spot held by National Dairy profitwise is backed by the facts that the company was the most heavily hurt by the excess-profits tax holds a relatively strong position in very profitable cheese business through the Kraft Foods division.

"Assuming all other factors constant, absence of excess-profits taxes this year would add \$1.11 per share to National Dairy earnings to bring net income to \$5.74 a share against \$4.63 in 1953 and a peak of \$5.26 a share in 1949. Of course 'some of the savings from this tax will undoubtedly be reflected in lower consumer prices, but how much, we cannot say,' E. E. Stewart, president, warned.

"Borden Co., as well as National Dairy, has had increased unit sales in the first quarter of this year as compared with the like period in 1953, but lower prices have restrained dollar gains.

"Wider profit margins have helped both companies, and probably most of the industry, to turn in higher profit than last year.

"Some first quarter business, though, was transferred in April and May by customers who were willing to wait to take advantage of lower prices prevailing after the reduction of supports by the Department of Agriculture to 75 percent from 90 percent.

"The processing companies, too, were well prepared to minimize inventory write-downs of their own, through reductions in the size of stocks in hand.

"Theodore O. Montague, president of Borden Co., estimated that the company would have a first-quarter markdown of about \$1.8 million on inventories before giving effect to a last-minute offer by the Department of Agriculture to buy back supported products on March 31 and resell to the processors on April 1 at the new, lower prices without having had the merchandise move off warehouse floors.

"Borden steers growth to nondairy lines"

"Some indication of the steps taken to reduce inventories is seen from the following table which compares stocks held at the end of 1953 with the value of those held at the end of 1952:

"Year-end inventories"

"[Millions of dollars]"

	1953	1952	Percent change
National Dairy.....	107.3	136.9	-23
Borden.....	68.0	81.9	-16
Pet Milk.....	18.5	25.6	-28
Philadelphia Dairy.....	1.9	2.1	-10

"Borden, which still has more than half its sales in low-profit milk and cream, has been steering its growth into nondairy fields as well as dairy products.

"Chemical activities and instant coffee production offer excellent prospects for Borden. Coffee is especially promising according to Mr. Montague. The Borden brand is one of the four best selling on the market that account for more than 90 percent of all instant coffees and for about 24 percent of all coffee sold.

"Borden is not as large in packaged cheese as it would like to be, for that is a very profitable operation, Mr. Montague declared. Cheese markets have been dominated for many decades by the Kraft division of National Dairy, but Borden is making strong attempts to increase its share.

"The cash position of Borden is very comfortable and needs will be less than in some earlier years, but it is still early to make any definite dividend forecasts, Mr. Montague said.

"Cash position good for major firms"

"Substantial cash has been accumulated by virtually all major dairies. Some of it will be used for inventory rebuilding and some expansion and modernization of plant.

"The table below indicates the money build-up by these companies during 1953:

"Cash and equivalent—(end of year)"

"[Millions of dollars]"

	1953	1952	Percent change
National Dairy.....	82.6	39.5	+109
Borden Co.....	52.8	32.3	+63
Pet Milk.....	3.8	3.4	+12
Philadelphia Dairy.....	3.4	3.2	+6

"Ample cash is indicated by examination of the flow of money through the coffers of the two largest companies in the industry.

"National Dairy held \$82.6 million at the start of this year. Depreciation charges should add about \$24 million and net income may approximate \$33 million, making a total of \$140 million available for this year.

"The company is planning to spend \$36 million on plant and may have to lay out as much as \$20 million for inventory refurbishment. Debt liquidation requirement is insignificant this year leaving an amount of \$84 million to take care of dividend payments and normal cash needs of the business.

"The amount available for dividends on this basis would be between \$28 million or \$4.20 a share, and \$57 million, equal to \$8.55 per share, after taking into account maximum and minimum cash balances of the last decade. On the present \$3 per share annual dividend rate, the company pays out \$20 million a year.

"At the start of 1954, Borden Co. held cash and equivalent amounting to \$53 million, depreciation should add about \$14 million and net income could be in the vicinity of \$21 million to total approximately \$88 million.

"Capital expenditures are seen topping \$15 million and sinking fund requirements for 1954 have already been met. If no more than \$5 million is returned to inventories, the company would still have \$68 million in cash.

"There would then be for dividend payments an amount which could be as high as \$30 million or \$6.98 a share or as low as \$15 million or \$3.49 a share depending on the amount of cash held for day-to-day use."

The latest agricultural prices report from the Department of Agriculture was issued April 30, covering the period of mid-March to mid-April, therefore only partly reflecting the new lower level of price supports going into effect April 1. Yet that report says greater than seasonal declines in prices received by farmers for dairy products during this period lowered the price index 8 percent—placing them 10 percent less than a year earlier. While dairy prices were falling 10 percent, according to the same report, the index of prices paid for commodities and services bought by farmers for living and production rose by one point, making the

mid-April cost index 1 percent higher than a year ago.

Secretary Benson has apparently not been satisfied with cutting dairy support prices to 75 percent of parity. He has now juggled around the formula for parity on manufacturing milk to clear the way for another cut in dairy price supports next year. In other words, it seems that when the Department of Agriculture feels it is not safe to go lower than 75 percent of parity, they just change the formula to make 75 percent of parity mean less and less to farmers.

An article from the May 4 issue of the Minneapolis Tribune, headed "Parity Change To Cut Dairy Props Again," reads as follows:

"PARITY CHANGE TO CUT DAIRY PROPS AGAIN"

"(By Wilbur Elston)"

"WASHINGTON.—The Agriculture Department has a new parity formula for manufacturing milk that will result in another cut in dairy price supports next year.

"Representative ANDRESEN, Republican, of Minnesota, said he will ask Secretary of Agriculture Benson to explain the purpose of the revision when he testifies before the House Agriculture Committee Wednesday.

"The dairy bloc in Congress already is up in arms over the 90 to 75 percent cut in dairy price supports that Benson put into effect April 1, and this latest action gives the Congressmen new cause for concern.

"Under the new method of figuring parity equivalent for manufacturing milk (which goes into butter, cheese and other dairy products), the 75 percent of parity support price would drop from \$3.14 to about \$2.99 per hundredweight.

"Benson told his press conference Monday the change was made to keep the manufacturing milk parity formula up to date, but there were others who felt that he might have made the change to avoid an upward revision in dairy price supports.

"Dairymen have said it would be a violation of the law to pay them less than 75 percent of parity for their manufacturing milk and butterfat.

"Their concern arose over the fact that last year on a national average the 90 percent of parity supports actually brought them only 84 percent of parity for manufacturing milk and 87 percent for butterfat.

"The April 15 price for manufacturing milk containing 3.78 percent butterfat was reported on a preliminary basis at \$2.95 per hundredweight. Corrected to the 3.95 percent butterfat content required in the \$3.14 support price, this still was only \$3.05 per hundredweight or about 9 cents below the Government guaranty.

"However, that price of \$3.05 was above the 75 percent of parity level under the new formula, and some observers felt Benson thus would contend he was fulfilling requirements of the support law with prices at the present level.

"Benson, up to this time, has been hinting he might have to increase the prices the Government pays for butter, cheese, and dried milk in order to make certain the farmer really gets his 75 percent of parity.

"The April 15 price of \$2.95 per hundredweight is the lowest national average price received by dairy farmers since June 1950, just before the Korean war began, when the Department said the national average price was \$2.94 per hundredweight.

"However, prices in the major manufacturing milk producing areas in Minnesota, Wisconsin, and other Midwestern States are far below that level. In Minnesota, the price was estimated at about \$2.48 per hundredweight April 15. In Iowa, it was about \$2.86 per hundredweight."

An editorial on this same subject from the Farmers Union Herald of St. Paul, appearing in the May 10 issue, reads follows:

"ANOTHER BENSON FLEX

"Northwest dairy farmers, hit hard by the Benson order cutting price supports on dairy products to 75 percent of parity, got the bad news last week that their supports are going to be knocked still lower.

"The latest blow is going to take effect January 1, 1955, as the result of a Benson decision juggling the formula for computing the parity equivalent of manufacturing milk.

"The decision means at least 15 cents a hundredweight less in the support price for manufacturing milk. Under it, the 75 percent of parity support price on milk used for making butter, cheese, and other dairy products will drop from \$3.14 to about \$2.99 per hundredweight.

"This will particularly worsen the plight of Northwest dairy producers since the bulk of their output goes into the manufacture of these dairy foods.

"Benson told a press conference that the change was made to keep the manufacturing milk parity formula up to date.

"Heretofore, the parity equivalent of manufacturing milk has been construed as being 88.5 percent of the parity level of all milk at wholesale. Using the revised method it will be figured as 84.1 percent of the parity price for all milk wholesale.

"Meanwhile, milk prices were sliding down. The national average price for manufacturing milk was down to \$2.95 per hundredweight. And prices in major manufacturing milk producing areas of Minnesota, Wisconsin, and other Midwestern States are far below that level. In Minnesota, the price was estimated at about \$2.48 per hundredweight April 15."

I have previously expressed amazement on this floor that the Department of Agriculture would dump dried skim milk for animal feed at prices far below what it will sell the milk for human use.

I now wish to warn this body that eventually a new scandal of abuse and misuse will grow out of this program that will bring discredit upon the Department of Agriculture, and allow unscrupulous persons to reap enormous profits at the Government's expense—and the expense of legitimate dried-milk dealers.

I intend discussing this situation later, in more detail. But for now I merely want to call attention to the fact that this dumping of dried milk for animal feed is completely unpoliceable, and no way exists to prevent huge quantities of this cut-rate dried milk from finding its way back into normal channels of human consumption, undercutting present market prices and just forcing more powder into the hands of the Government.

At the rate it is being snapped up by the big feed manufacturers, I believe there is ample reason to seriously question the ability of these manufacturers to use it under terms of the Department's orders by the November 1 deadline set by the Department. Where it will finally wind up is now of serious concern to the American Dried Milk Institute, which has protested this plan but had its opposition ignored by the Secretary of Agriculture.

Sounder alternatives exist, if the Secretary of Agriculture were willing to provide as much a subsidy for using this powdered milk for humans as he is to use it for animals.

I want to warn the Department of Agriculture that some of us are watching this situation closely, and will have more to say about it.

Meanwhile, the Department seems to be running out of ideas—unwilling to accept any from others, and unable to come up with any workable ones of their own.

Secretary Benson recently indicated desperation was driving him closer and closer to the Brannan plan concept, by suggesting in testimony before the House Agriculture Committee that he may ask authority to make subsidy payments to butter manufacturers to support the income of dairy farmers.

An article from the Minneapolis Tribune of May 6, commenting on this testimony, reads as follows:

"BENSON SUGGESTS 'BRANNAN' PLAN FOR BUTTER SURPLUSES

"WASHINGTON.—Agriculture Secretary Benson said Wednesday he may ask Congress for authority to make subsidy payments to butter manufacturers to support the income of dairy farmers.

"He said he all but has abandoned hope of finding a satisfactory plan to dispose of 360 million pounds of Government-owned surplus butter. He said the Government may lose \$500 million in the next 12 months in disposing of dairy surpluses.

"Benson made the statements before the House Agriculture Committee.

"His butter subsidy suggestion is similar to a key feature of the so-called Brannan plan, which Congress rejected as socialistic in 1949. The idea would be for the Government to give buttermakers the difference between the market price and the support price. The Government now supports butter prices by buying up surpluses.

"Benson outlined three plans for disposing of Government-owned butter surpluses. Under each plan, he said, 'we would, in effect, not only give butter away, but in addition would be paying in the neighborhood of 50 to 75 cents a pound to get rid of it.'

"Benson's three plans:

"A coupon method. Consumers would get a pound of surplus butter free, or for 1 cent, with a pound of commercial butter at regular prices. Benson said it was shelved because of 'administrative awkwardness.'

"A system under which surplus butter would be sold to distributors at low prices and mixed with new stocks. Prices would be averaged out for consumer sales. Benson said this plan would bring 'windfall' profits for some companies and undue hardships for others.

"The subsidy plan for manufacturers. Surplus stocks would be distributed through relief programs, school lunches, and sold overseas. Benson said the subsidy payments would halt Government purchases."

However, apparently the Secretary still has not made up his mind.

The next day he changed his mind again, according to another clipping I have here dated May 7, indicating Benson now wants to give the benefit of bargain butter to other countries instead of our own people.

This article from the Minneapolis Tribune of May 7, entitled "United States Seeks to Dump Butter in Policy Shift," is as follows:

"UNITED STATES SEEKS TO DUMP BUTTER IN POLICY SHIFT

"(By Wilbur Elston)

"WASHINGTON.—The Department of Agriculture, in a major policy change, Thursday offered to sell its stocks of surplus butter for export at prices 'comparable to those in the world market.'

"World prices range from about 42 to 46 cents a pound, as compared with the Government's previous export price of 60.5 cents a pound for United States grade A quality butter.

"The Government currently pays 57.5 cents a pound for surplus butter.

"The Department's action followed its previous announcement it would sell its stocks of cheddar cheese and dried milk, also acquired under its dairy price support program, at world prices.

"The action means the Department for the first time is dumping its surplus dairy products on the world market at prices well below those to American consumers.

"Up to this time, the United States State Department overruled such exports on grounds they would damage our friendly dairy exporting competitors, such as Denmark, Australia, New Zealand, and the Netherlands.

"Agriculture Department officials insist these cut-price offers are just 'aggressive merchandising,' since the prices are not below world levels. However, economists regard world sales at less than domestic levels as dumping.

"The Government currently holds more than 363 million pounds of butter, 384 million pounds of cheese and about 600 million pounds of dried milk, all acquired under price support programs.

"Cheese which cost the Government about 31¼ cents a pound is offered for export at 25.5 cents. Dried milk that cost 15 cents is being offered for export at about 11.75 cents.

"Even at those prices, however, there were no takers up to last night.

"The Department's butter action was expected after Secretary of Agriculture Benson said earlier this week the British are negotiating for the purchase of about 40 million pounds of surplus butter at about the world price.

"Yesterday's announcement said buyers will be 'responsible for obtaining any required United States Government export permit or license.'

"This presumably would be required for exports intended to go behind the Iron Curtain.

"Earlier this year the Commerce Department rejected a proposal by a Minnesota businessman, Dwayne Andreas, for the purchase of quantities of surplus butter for export to Russia at the world price.

"At that time Secretary of Commerce Sinclair Weeks turned down the application, with full Cabinet backing, on grounds the administration wouldn't sell surplus butter for export to unfriendly nations at prices below those paid by American housewives.

"Now, however, butter apparently will be sold at least to friendly nations below domestic prices because Secretary Benson admitted earlier this week that his plans for bargain sales to American consumers have fallen through."

Despite all his assurances, Secretary Benson now finds himself right where he started, with no answers that make sense or produce results.

In desperation, he is virtually giving away nourishing dried milk to animal-feed manufacturers, subsidizing it for animal feed but not for human use, and now he is willing to dump butter at bargain prices to the rest of the world but unwilling to give American consumers a similar break.

It all adds up to a fiasco of poor judgment and mismanagement—a complete failure of Secretary Benson and this administration to offer any sound solution to the dairy dilemma except greasing the skids with butter for pushing dairy farmers down the slide to bankruptcy.

Despite the losses being taken by dairy farmers, there is going to be no big saving to the Government, as some wishful thinkers hoped.

On the basis of present policies invoked by Secretary Benson, I think I can conservatively estimate that the losses on his dairy plan this year may reach \$250 million—more than

even any 1 year of the so-called potato fiasco wished on us by the 80th Congress.

If we are going to expend that much public money, I want to see it used wisely and effectively in ways that will benefit farmers and consumers alike—not poured down a rathole, with nobody benefiting but processors and feed manufacturers.

To sum up what I feel is happening to the dairy industry under the unsympathetic guidance of Secretary Benson, I should like to have appear at this point in the RECORD an editorial from the May 6 issue of the Grand Rapids Herald-Review, of Grand Rapids, Minn., of which Larry A. Rossman is publisher. The editorial, referring to the Benson plan, aptly calls it "A Plan for Poverty." I might add that the Herald-Review has historically been a Republican newspaper. Yet it is a real newspaper that believes in fighting for the people it serves, and it knows how this dairy slash is hurting the economy of its area.

I subscribe wholeheartedly to the viewpoint expressed in this fine editorial from one of our fine weekly newspapers.

The editorial is as follows:

"A PLAN FOR POVERTY"

"So many of the friends of agriculture regret and resent the cut in dairy prices imposed by Secretary Benson with the evident support of the administration at Washington. The fact that there is a surplus of butter and dried milk, the first real surplus in the life of the dairy industry, is not too disturbing for it is known that there are so many who should drink more milk, and a few more quarts of milk a year for the people of the Nation would create a shortage. There is resentment because, at best, dairying is a form of farming which hardly pays wages to those who milk cows, and the reduction takes away any margin of profit, actual or theoretical, that the dairy farmer has had. There is indignation that of all forms of agriculture in which there have been surpluses and problems that the one most sensitive to considerate treatment should be first chosen for discipline and deflation.

"There are very few who defend the dairy price cut. There are many people who drink milk with regularity but who seldom see a cow. There are a few hidebound politicians who would rather serve the party than help their neighbors. There are some so-called economists who reason off the beam as do most of that group. To defend the indefensible, these people contend that dairying is inefficient. How action that will take the profit from the good dairymen and make the situation of the marginal producer worse will help agriculture is beyond understanding.

"The argument that dairying is inefficient is a miserable slander and anyone familiar with agriculture who makes it ought to be condemned to the most menial job in the barn for the rest of his life. There are many who remember dairying as it was. There was the pan of milk in the cooler or kitchen. Such milk could not be sold today. There was dairy butter, much of it poor. The cream separator, the pasteurizer and the milking machine are all symbols of great progress. There was once a time when cows spread tuberculosis and undulant fever. That is no longer true. A generation ago any cow that gave milk was a good cow. Today the scales determine the merits of cows. Purebred sires replaced the ragged bull. Artificial insemination makes the good sire go further. There are cow testing associations everywhere in the dairy country.

"Those who look about will see great, modern creameries and dairy plants. Any citizen of Minnesota who saw the birth and progress of Land O' Lakes and contends that

the great dairy industry has not made progress is both blind and dumb. Of course, butterfat is in competition with vegetable and animal fats and it always has been. Since 1930 the population of the United States has increased by 23 percent. The production of butter has declined and the use of cheese, evaporated milk, and ice cream has more than doubled. There has hardly been a meeting of a farm group in a dairy community, or a talk by a county agent, in the last quarter century at which the problems of the dairymen were not discussed intelligently and constructively.

"Again, anyone who travels about the countryside, and this is especially true in a newer land, can see dairying as it is. He will see splendid herds that began with a single scraggly cow. He will recall good dairymen who were once inexperienced boys. The marvel is that so many have done so well in the most exacting type of agriculture. To say that the inefficient do not exist would be to close the eyes to reality. There are many of them. The question is what to do about them.

"Under the pressure of education and help some of the inefficient may be made better. But there are many to whom the dairy farm is a haven because it will produce milk, meat, and home for a family. Thank heaven for these people. Without them and their inefficient production there would not be enough milk to feed the children of America. Should these people be driven off from the land? Should they be told to go to the cities and live in the tenements where they may have little milk? Should they be told to go and raise corn when there is too much of it now? Not all people can be efficient. They cannot be made efficient by Congress, by law and hard times. That so many who may be regarded as inefficient are engaged in such a useful thing as milking cows should be a source of thankfulness rather than unsympathetic criticism and scorn. There are inefficient men in factories. No one suggests that all wages be reduced. There are inefficient men in business. No one can argue that the hope of any profit in business should be abandoned. The inefficient suffer enough from their own limitations. They need a kindly hand on the shoulder, not a kick from behind.

"If the parity price plan for agriculture is wrong, it should be abandoned. If it is right, the farmer should have full parity without tinkering by politicians, some of whom seek the big city vote at the expense of those on the land. Even with the parity theory there will be times of surplus. They are much better than the suffering and high costs of shortage. It takes years and years to increase the productivity of a dairy herd and years and years to increase the ability of the dairymen. A few careless months can discourage the efforts of a half century to diversify the income of agriculture in the dairy States."

RECESS TO THURSDAY

Mr. DANIEL. Mr. President, in accordance with the order previously entered, I move that the Senate now stand in recess until next Thursday at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 43 minutes p. m.) the Senate took a recess, the recess being, under the ordered previously entered, until Thursday, May 27, 1954, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 25 (legislative day of May 13), 1954:

IN THE ARMY

The following-named cadets, United States Military Academy, for appointment in the Regular Army of the United States, in the grade of second lieutenant, upon their graduation, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

William French Acers
Robert Leon Adams
Edwin Mix Aguanno
Milton Lawrence Aitken, Jr.
Donald Joseph Alameda
Ames Scribner Albro, Jr.
William Lorimer Allan
Raymond Frederick Allen, Jr.
James Kendall Allison
William Joseph Almon
Darrell Raymond Anderson
Jerome Hartford Anderson
Charles Reuben Andreas 3d
Frederick Martin Anklam
Robert Felts Anthis
William Thomas Archer
Freddie Alvin Daniel Attaya
Cyrus Stevens Avery 2d
Willis Garrett Bacon
Robert William Badger
Louis Joseph Bahin, Jr.
Kenneth Rector Bailey
William Robert Baldwin
John Lawson Ballantyne 3d
John Chapman Bard
Harold Frederick Barnes
Wilson Clark Barnes
Kerwood Wagner Barrand
Fred H. Bartlit, Jr.
Richard Cassell Baughman
Charles Duncan Beaumont
Norman Hubert Bedell
Owen Elmer Belville, Jr.
Richard Hunt Benfer
Clark Hamilton Benn
George Carlton Bennett, Jr.
John Crawford Bennett
Jack Maurice Beringer
Bruce Wesley Bidwell
Leland Ernest Bierlein
Robert James Blaisdell
Richard Irwin Boe
Laurence Burton Bonner
Gordon David Boose
Frederick Byrd Bowling
Richard Michael Boyle
Donald Keith Bradbury
James Francis Bradel
Kenneth Eugene Brant
Gene Lynn Breeding
Benjamin Franklin Breslauer, Jr.
Wilbur David Brickwell
James Elbert Briggs, Jr.
James Henry Brodt
Andre George Broumas
Charles Stuart Brown
Thomas Cardwell Brown, Jr.
Roger James Browne II
Wilbur Craig Buckheit
Fletcher James Buckley
Robert Lisle Bullock, Jr.
Peter Charles Bunevich
Sheldon John Burnett
James Curtis Burris
Henry Wallace Butler
Ronald Earl Button, Jr.
George Baxter Calhoun
Luke Lea Callaway, Jr.
Charles Wallace Carlson
John William Carnahan, Jr.
Charles William Carroll
Henry Stuart Carroll III
James Langton Carroll
Jose LeRoy Chacon
Neil Allen Chamberlin
George Wayne Chancellor

James Darwin Chandler
 James Long Chapman III
 John Severance Chesbro
 Walton Joseph Christensen
 Robert Domenic Cicchinelli
 Robert Sutherland Clarke, Jr.
 Frank Paul Colpini
 Oliver Bert Combs, Jr.
 James Calvin Cooper III
 Ira Coron
 Billy Jo Cory
 Robert Ernest Cottle
 John Vincent Craig
 Marion Glenn Creath, Jr.
 Jerry James Curtis
 Edward Philip Cutolo
 Eldon Theodore Dahi, Jr.
 Marvin Dale Danford
 Sterling Price Adams Darling
 John D'Aura, Jr.
 Charles Alan Debelius
 Frederic John Delamain
 Jackson Daniel Dennis
 Thomas Edwin De Simone
 Richard Wells Diller
 David Loring Dimick
 Eugene Martin Donnelly
 Robert Earl Downen
 Michael Drahushak Drake
 Paul Cyr Driscoll
 Shapleigh Morris Drisko
 Henning Everett Drugge
 Alexander Patrick Dyer, Jr.
 Loren Mason Eberhart
 John Gregory Eckhardt
 Julian Burriss Edwards, Jr.
 Robert Burnley Egelston
 John Charles Eitel
 Robert James Ellis
 Robert Moffat Elton
 William Young Epling
 Paul Gustav Erickson
 Earle Robert Evans
 Richard Albert Farmer
 John Henderson Farrar, Jr.
 Thomas Dominic Flaherty, Jr.
 Clifford Thomas Flanigan
 Robert Clark Forman
 Edward Vincent Freeman, Jr.
 Leonard Hayes Fuller, Jr.
 Howard Markland Gabbert 2d
 Joseph Thomas Gaffney
 William Atkins Gager, Jr.
 Frederick Mertens Galloway
 John Rogers Galvin
 Joseph Ganahl, Jr.
 Paul Raymond Garneau
 Donald Eugene Gaston
 Donald Thomas Geiger
 Joseph John Gerda
 John Wesley Gheen, Jr.
 James Frederick Gibson
 Wendell Harrison Gilbert
 John William Gilboux
 Lee Edward Gilbreth
 Louis Holmes Ginn III
 Robert Merrill Gomez
 Robert Eldred Goodwin
 Jay William Gould III
 William Preston Grace 3d
 Wendell Frederick Grant
 Harold Roger Greer
 Draper Bell Gregory
 Richard Alan Grifenhagen
 Richard Watts Griffin
 Richard Hanson Grinder, Jr.
 Elliott Wesley Gritton
 Louis Gross
 Robert Henry Gross
 Brandt Fox Grubbs
 George Sterling Guy, Jr.
 Viri Edward Haas
 Sayward Newton Hall, Jr.
 Samuel Lee Halliday
 James Nick Halvatgis
 Lewis Hinchman Ham, Jr.
 Wade Hampton
 Clarence William Hannon

Charles Benjamin Hanson
 William Baynard Harper
 David Ford Harris
 Edward Perry Hart
 Franklin Augustus Hart
 Robert Joseph Harvey
 William Nafew Haskell
 William Locke Hauser
 James Ellis Hays
 Thomas Francis Healy, Jr.
 James Robert Henry
 Franklin Day Hicks
 William Joseph Hillsman
 George Harrison Hilt
 John Ismert Hincke, Jr.
 Leo Peter Hobbs
 Richard Wright Hobbs
 David Nord Holtam
 Bradley John Honholt
 Richard Paul Hoy
 John William Hudachek
 Victor Joseph Hugo, Jr.
 Robert Leigh Hunt
 Francis Alphonse Ianni
 Robert Albert Ironside, Jr.
 Maximiano Romualdez Janairo, Jr.
 Paul Randolph Jenkins, Jr.
 Dale Eugene Jenne
 William Taze Jessee
 Dion Johnson
 James Ross Leonard Johnson
 Peter Walton Johnson
 Daryl Duane Jones
 Marvin Claud Jones, Jr.
 Peter Gaylord Jones
 Edward Ogden Judd
 Richard Douglas Kavanaugh
 Robert Edward Keener
 Edwin Charles Keiser
 Fred Kersh, Jr.
 Jack Duncan Kincaid
 William Denson Kirby, Jr.
 Donald Ray Kirklighter
 Lester Stanley Kirshner
 William Eugene Klein
 John Herbert Klingberg
 Edward Murphy Knoff, Jr.
 Marvin Robert Kortum
 Leon Lester Kortz
 John Archie Koskella
 John Nicholas Koun
 George Stanley Kourakos
 Kenneth Robert Kramer
 Robert Peter Kraujalis
 James Arthur Kreigh
 Martin Paul Lachance
 George Alexander Lacour
 Clyde Winfred La Grone
 Sebastian Ambrose Lasher
 Richard Jan LeCroy
 Ronald Barry Lee
 Maurice Howard Leiser
 Ronald Joseph Lemanski
 John Roy Le Mere
 Peter Nicholas Leone 2d
 Emil Edward Levensky
 Robert Ervin Ley
 Albert Carl Lieber, Jr.
 Fred Standwood Lindsey
 Richard Edmund Littlefield
 Jack Alton Lochner
 Gerald Anthony Lodge
 Jack Richard Logan
 John Henry Lohman
 Andre Cavaro Lucas
 Charles McCabe Luce, Jr.
 Leonard Victor Lundberg
 Robert Lee Lykens
 Arthur Frederick Lykke, Jr.
 Joseph David Macklin
 Andrew Joseph Maloney, Jr.
 Peter Clifford Manus, Jr.
 Robert Hefner Marcrum
 John Elder Marcus
 Jesse Horace Martin 3d
 Walter John Martin
 Ernest Arthur Marvin, Jr.
 Joseph Mason Massaro
 Joseph Masuck

Glenn Kenge Matsumoto
 Lloyd Jean Matthews
 Judson Stillman Matthias
 Norman Arthur Matthias, Jr.
 Norman Arthur Mattmuller
 Perin Mawhinney
 Thomas Sidwell Mayberry
 Arthur McCarthy
 Edward William McCloskey 2d
 Mark Arthur McDermott
 William Edward McGuire, Jr.
 William Robert McKenney
 Duane Adams McMartin
 Edward Parry McNair
 Robert Malcolm McPherson
 Marion Frank Meader
 Louis Richard Mentillo
 Alvin Sherman Milder
 Charles Ernest Miller, Jr.
 James Morrison Miller
 John Thomas Miller
 Paul Miller, Jr.
 George William Milligan
 Lindsey Beale Minturn, Jr.
 Robert Michael Mischak
 Lewis Aspey Mologne
 James Edward Moore, Jr.
 Jesse George Moore
 Robert James Morris, Jr.
 Robert Parker Morris
 Edward Merillat Moses
 Richard Bradshaw Moulton
 Jackson Lee Munsey
 Roy William Muth
 William Dickert Nelson
 George Theodore Neu
 Donald Fred Newnham
 Jerrold Martin North
 Donald Edward Nowak
 James Francis Obendorfer
 George Francis O'Brien, Jr.
 Douglas John O'Connor
 William Eldridge Odum
 William Donald Old II
 George Hamden Olmsted, Jr.
 Mark Allen Ormsby
 Charles Robert Orr
 William Joseph Ovberg
 Ray Daniel Pace
 Joseph Thomas Palastra, Jr.
 Warren Talmadge Palmer
 Joseph Edward Palumbo
 Donald Frederick Panzer
 John George Pappageorge
 Thomas Holl Papprock
 Russell Wayne Parker
 Edward Albert Partridge
 Edwin Eric Passmore
 Mercer Howell Patterson
 William Vincent Paul, Jr.
 Edward Jan Paul Pawlowski
 Roman Joseph Peisinger, Jr.
 Francis J. Percy
 George Elmer Perrin
 George Stedman Petley
 Gary Randolph Peyton
 Stanford Christian Pilet
 Chester Joseph Piolunek
 Thomas Dabney Poor
 Donald Clare Porter
 John Grant Porter
 John Alexander Poteat, Jr.
 Paul Vincent Powers
 Howard Prescott
 Robert Clark Preuitt
 William Pace Purdue
 John Thomas Purdy
 Orkun Fedrick Qualls, Jr.
 James Robert Randall
 James Frederick Ransone, Jr.
 Leonard Franklin Baldwin Reed, Jr.
 Robert Thomas Reed
 Mark Laurence Reese, Jr.
 Paul Hansen Reistrup
 Melvyn Douglas Remus
 Richard Mack Renfro
 Robert Dill Resley
 Donald Madison Rhea
 Alan Vinton Richard

Charles David Richards
 Robert Charles Riese
 Hugh Granville Robinson
 Edward Earl Roderick
 John Carl Rogers
 Myron Warren Rose
 Ralph Colby Ross, Jr.
 William Charles Royals
 Harry Franklin Ruhf
 James Paul Ryan
 Robert Bowles Sale, Jr.
 Ronald Louis Salvador
 Warren Alexander Samouce
 Benjamin Franklin Schemmer
 William Richard Schulz, 3d
 Frederic Marvin Schweiger
 Paul Schweikert, Jr.
 James Lee Scovel
 John Charles Shafer
 Donald Palmer Shaw
 Donald Shebat
 John Raymond Shelter
 Audrey John W. Short
 Robert Benton Short, Jr.
 Floyd Earl Siefertman, Jr.
 Arthur Kenneth Sirkis
 Lowell Elis Sisson
 Lawrence Franklin Skibble
 James Hamilton Sloan, Jr.
 James Henry Slogar
 Quay Carlton Snyder
 Craig Hamilton Spence
 James Polk Spruill
 Carl James Stark
 John Melvin Stark, Jr.
 Thomas Alfred Stark
 Carl Richard Steimle
 George Nelson Stenehjem
 Allan Charles Sterling, Jr.
 Kennon Bailey Stewart
 Robert Richard Stewart
 Charles Stowe Stodter, Jr.
 George Hileman Storck
 Charles Earle Storrs, Jr.
 Glen Wayne Stout
 Herald Franklin Stout, Jr.
 William Henry Stroh
 Douglas Baird Stuart
 Perry Louis Studt
 Richard Harvey Sugg
 John Anthony Sulk
 Harry Edward Brook Sullivan
 James Weldon Surber
 John William Swaren, Jr.
 Humbert Francis Sweeney
 Robert Hugh Tawes
 David Thomas Teberg
 James Edward Thomas
 Julius Octavius Thomas, Jr.
 Bill Thomas Thompson
 David Peter Thoreson
 John Ernest Tilley
 Jesse Richard Tippet, Jr.
 Daniel James Tobin
 Willis Clifton Tomsen
 Lowell Edmund Toreson
 Richard Wayne Townsley
 LeRoy Clarence Turner
 Richard Babcock Tyler
 Andrew Fillebrown Underwood
 Thomas Fraley Van Natta, Jr.
 Gerald Edward Van Valkenburg
 Dale Allen Vesser
 Gerald Socrates Vige
 Newell Elliott Vinson
 Louis Carson Wagner, Jr.
 Prosper Newton Walker
 Samuel Powell Walker 3d
 William Lewis Wallace
 Lewis Albert Waiser, Jr.
 Fletcher Kirkland Ware, Jr.
 Robert Jack Washer
 Thomas Morgan Watlington 3d
 William Jerome Weaver
 Yale Duane Weatherby
 Richard Legore Weaver
 Robert Ernest Weeks
 Robert William Wells
 William Warren Welsh, Jr.

John Robinson Westervelt, Jr.
 James Rufus Whitley
 Herbert Evans Williams
 James Arthur Williams
 Larry Elliott Willner
 William King Winston
 John Anthony Wisniewski
 Peter F. Witteried
 Charles Donald Wood
 Grayson Cooper Woodbury, Jr.
 John Hawkins Woodyard
 LuVern James Wooge
 Don Joseph York
 John Grey Young
 Thomas Chambers Young
 Richard George Ziegler

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 25, 1954

The House met at 12 o'clock noon.
 The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

God of all grace and goodness, may our whole outlook upon life during this day be lifted far above and beyond the narrow horizons of selfish interest, personal aggrandizement, and material ambitions.

Grant that in our attitudes toward others we may have within our hearts that gracious and magnanimous spirit which leaps over every artificial barrier and transcends all surface differences.

Help us to be more eager and effective as we strive to carry into our international relationships the logic and blessedness of the principles of brotherhood and friendship.

May we do all within our power to inspire mankind with a longing for peace and good will for we are confident that nothing else can drive out the hatreds and prejudices and heal the divisions and hostilities between the nations of the earth.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

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

H. R. 1345. An act for the relief of John Lampropoulos;
 H. R. 1705. An act authorizing the Secretary of the Interior to issue a patent in fee to Jesse Bell;
 H. R. 1772. An act for the relief of Kenneth R. Kleinman;
 H. R. 2022. An act for the relief of Don B. Whelan;
 H. R. 2433. An act for the relief of the legal guardian of Raymond Gibson, a minor;
 H. R. 3041. An act to authorize the Secretary of the Interior to transfer to Frederick W. Lee the right, title, and interest of the United States in and to a certain invention;
 H. R. 3109. An act for the relief of Theodore W. Carlson;
 H. R. 4532. An act for the relief of Mrs. Ann Elizabeth Caulk;
 H. R. 4940. An act to provide for the redemption of District of Columbia tax stamps;

H. R. 4961. An act for the relief of Mrs. James J. O'Rourke;
 H. R. 4996. An act for the relief of Col. Henry M. Denning, and others;
 H. R. 5772. An act for the relief of Robert E. Leibbrand, and Rose Leibbrand; and
 H. R. 7786. An act to honor veterans on the 11th day of November of each year, a day dedicated to world peace.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and a joint resolution of the House of the following titles:

H. R. 1331. An act for the relief of Mrs. Katherine L. Sewell;
 H. R. 2512. An act to amend the act entitled "An act to provide for the purchase of public lands for home and other sites, approved June 1, 1938 (52 Stat. 609), as amended";
 H. R. 3522. An act for the relief of Arthur S. Rosichan;
 H. R. 6452. An act for the relief of Mrs. Josette L. St. Marie; and
 H. J. Res. 455. Joint resolution granting the status of permanent residence to certain aliens.

The message also announced that the Senate had passed bills, a joint resolution, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 46. An act for the relief of E. S. Berney;
 S. 885. An act to provide for the disqualifications of certain former officers and employees of the District of Columbia in matters connected with former duties;
 S. 914. An act for the relief of Mark Valner;
 S. 974. An act for the relief of certain Chinese children;
 S. 992. An act for the relief of Apostolos Savvas Vassiliadis;
 S. 1165. An act for the relief of Paul E. Rocke;
 S. 1382. An act for the relief of Elie Joseph Hamkin and family;
 S. 1403. An act to authorize the Public Utilities Commission of the District of Columbia to regulate and condition the declaration and payment of dividends by public utilities in the District of Columbia;
 S. 1889. An act for the relief of Margot Goldschmidt;
 S. 1900. An act for the relief of Gertrud Trindler O'Brien;
 S. 1902. An act for the relief of Theresa Elizabeth Leventer;
 S. 1904. An act for the relief of Otilie Theresa Workmann;
 S. 1959. An act for the relief of Mrs. Anne-Marie Namias;
 S. 1967. An act for the relief of Paula Neumann Mahler (Paula Neumann Schibuk);
 S. 1991. An act for the relief of Esperanza Jimenez Trejo;
 S. 2009. An act for the relief of Mrs. Edward E. Jex;
 S. 2172. An act to amend the act entitled "An act to regulate the practice of veterinary medicine in the District of Columbia," approved February 1, 1907;
 S. 2654. An act to authorize the Commissioners of the District of Columbia to sell certain property owned by the District of Columbia located in Montgomery County, Md., and for other purposes;
 S. 2657. An act to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia";
 S. 2661. An act to regulate the sale of shell eggs in the District of Columbia;

S. 2786. An act granting the consent and approval of Congress to the southeastern interstate forest-fire protection compact;

S. 3103. An act to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941;

S. 3137. An act to make the provisions of the act of August 28, 1937, relating to the conservation of water resources in the arid and semiarid areas of the United States, applicable to the entire United States, and to increase and revise the limitation on aid available under the provisions of said act, and for other purposes;

S. 3213. An act relating to the merger of the Columbus University of Washington, D. C., into the Catholic University of America, pursuant to an agreement of the trustees of said universities;

S. 3458. An act to authorize the long-term time charter of tankers by the Secretary of the Navy, and for other purposes;

S. J. Res. 156. Joint resolution providing for acceptance by the United States of America of an instrument for the amendment of the constitution of the International Labor Organization; and

S. Con. Res. 83. Concurrent resolution favoring the suspension of deportation in the case of certain aliens.

GEORGE P. SYMRNIOTIS

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 683) for the relief of George P. Symrniotis, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 4, strike out "Symrniotis" and insert "Smyrniotis."

Amend the title so as to read: "An act for the relief of George P. Smyrniotis."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

MARTHA SCHNAUFFER

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3876) for the relief of Martha Schnauffer, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Martha Schnauffer may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act."

Amend the title so as to read: "An act for the relief of Martha Schnauffer Shockley."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

GRANTING OF THE STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the resolution (H. Con. Res. 197) favoring the granting of the status of permanent residence to certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the resolution.

The Clerk read the Senate amendments, as follows:

Page 25, after line 4, insert: "A-6661397, Dimian, Bella Berca."

Page 25, after line 4, insert:

"A-7903809, Saganich, Giuseppe Bruno or Joseph Bruno Saganich or Saganey."

Page 25, after line 4, insert:

"0501-19738, Wang, Ting Pang or T. P. Wang."

Page 25, after line 4, insert:

"A-7609403, Yen, Ung Yu."

Page 25, after line 4, insert:

"A-7609402, Yen, Gwendoline Tsunglan nee Hwang."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

INDIANS OF CALIFORNIA

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2974) to extend the time for enrollment of the Indians of California, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line, after "1955", insert "and by inserting after the third sentence 'For the purposes of clause (d) of this section, when the Secretary of the Interior is satisfied that reasonable and diligent efforts have been made to locate a person whose name is on said roll and that such person cannot be located, he may presume that such person died prior to the date of approval of this act, and his presumption shall be conclusive.'"

Page 2, line 3, after "602)", insert "as amended by the act of April 29, 1930 (46 Stat. 259)."

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, I would like to offer for the RECORD at this time the following ex-

planation of the need for the two amendments:

First. The present statute directs the Secretary to remove from the 1933 roll the names of any persons who died between May 18, 1928, and May 24, 1950. It also directs the Secretary to make a \$150 per capita payment to each enrollee who was living on May 24, 1950.

The Secretary has been unable to determine whether 2,834 of the persons on the 1933 roll were or were not alive on May 24, 1950. The per capita payable to them if living on that date amounts to \$425,100.

If the statute is not changed as proposed in this amendment the names will be removed from the roll and the per capita fund will be held indefinitely in the Treasury pending the submission of a claim and proof of living status. It is probable that most of the amount will not be claimed, and the rest of the enrollees will, therefore, be deprived of judgment money that should be available for distribution to them. The issue is one of equity: Should the Congress tie up indefinitely a substantial sum of judgment money that belongs to the Indians of California by requiring the money to be held for persons whose living status cannot be determined by reasonable efforts?

Second. This amendment merely corrects the statutory citation.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

SPECIAL ORDERS GRANTED

Mr. JAVITS asked and was given permission to address the House for 20 minutes today, following the legislative program and any special orders heretofore entered.

Mr. BAILEY asked and was given permission to address the House for 20 minutes today, following the legislative program and any special orders heretofore entered.

Mr. FEIGHAN asked and was given permission to address the House for 10 minutes today, following the legislative program and any special orders heretofore entered, to revise and extend his remarks and to include extraneous material.

UNITED STATES FACES CRISIS IN WESTERN HEMISPHERE

Mr. SIKES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, people are supposed to learn by experience. A burned child doesn't touch a hot stove the second time. It is time for the United States to show that it has learned something from past experience.

Within a day or two we shall be honored with a visit from Haile Selassie, Emperor of Ethiopia. Remember him?

If the world had stood firm against Italy when she moved into Ethiopia, the chances are Hitler would not have dared to provoke World War II.

Today the United States faces another crisis—and this one is on our own doorstep. There is an invasion of the Western Hemisphere by the Communists. The Reds have established a beachhead in Guatemala. At first it was only a diplomatic beachhead, but the Reds now are ready to move out in all directions—by force if necessary.

That diplomatic beachhead has been in existence for several years. But the State Department, with its head-in-the-sand attitude, has chosen to ignore the danger of the situation. Now it is rapidly becoming another case of too little and too late. Halfhearted measures will not suffice to correct this invasion.

Stern measures must be taken now. The Monroe Doctrine is still in effect. It is time that it be invoked. A diplomatic slap on the wrist will not suffice. Conferences simply provide grist for the Communist propaganda mills. We must use our leadership in the Western Hemisphere to stop once and for all the threat of a Communist infiltration which is intended to take over Central and South America. We should take whatever steps are necessary—at once—before it is too late. In other days America has acted promptly and vigorously to protect her interests and her friends. The incident of the Barbary pirates, the campaigns of Andrew Jackson, the courage of Teddy Roosevelt all are part of a great heritage. In those days we did not hesitate to act; we did not allow ourselves to become entangled in diplomatic redtape; we got results.

COMMUNIST AGGRESSION IN CENTRAL AMERICA

Mr. BOGGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOGGS. Mr. Speaker, it was announced this morning that the United States had started flying arms to Nicaragua and Honduras.

It is to be hoped that this is not another case of "too little and too late." It has been obvious for a long time that Guatemala has served as a beachhead for Soviet expansion in the Western Hemisphere.

Already the situation in some of the Central American countries is critical. I noted in the New York Times this morning that Mexico has begun to worry about the situation. One of the Mexican newspapers in commenting on the purchase of arms by Guatemala from behind the Iron Curtain had this to say:

But it is undoubtedly an act of open hostility to the United States and of complete ignorance of the spirit that animates the Organization of American States.

The news of the shipment of arms to Guatemala from Poland proves conclusively that Guatemala is the beachhead for Communist plots in the Western Hemisphere.

The fact that the ship was unloaded at night under the supervision of the Guatemalan Defense Minister is cause enough for real and genuine alarm on the part of our country.

The crippling strike in Honduras is directly attributable to Guatemalan intervention in Honduras. Reports now reach Washington that Guatemalan agents are now attempting to foment strikes in Panama. The canal itself may be threatened.

All of the evidence available here points to a genuine Soviet plot to seize power in the Western Hemisphere. The action in Guatemala constitutes a direct threat to the peace of this hemisphere. The United States, in my opinion, should immediately bring the situation to the attention of the Organization of American States to determine collective measures to be taken under the Caracas resolution and the Rio Treaty.

The United States must recognize that the threat of Communist aggression is real in Central America and our country must take positive action now.

SHIPMENT OF ARMS TO GUATEMALA

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, on May 4 I made remarks in the House reiterating a warning about Soviet designs on our backyard in the Caribbean through Guatemala which I reminded the House, Speaker MARTIN and I had pointed out nearly 2 years ago. I have read in recent issues of the newspapers that the State Department has itself expressed alarm about the fact that a ship carrying Iron Curtain arms in quantities prodigious for Central America and obviously unnecessary for the needs of Guatemala, unless it has designs upon the integrity of its neighbor, has been allowed to land in Guatemala and the cargo, falsely labeled "hardware" on the manifest, taken without hindrance into the interior of the country. In other words the Kremlin, having taken over control of the political government of Guatemala, is now supplying them with Iron Curtain arms in large quantities. We notice from an account appearing in a recent issue of the New York Times shortly after the incident that the representative of Guatemala here brazenly admits that the State Department story is true.

This cargo of arms is like an atom bomb planted in the heart of our backyard. It is as if a Soviet ship brought an atom bomb in her hold and berthed

at a slip in New York Harbor calmly confident that at any time it could blow up the city of New York.

I ask that the Committee on Foreign Affairs immediately consider what we can do about this sort of an outrage. Have we so tied our hands with legalistic redtape that we have lost the power to act? When the British were threatened with Communist revolt and the interruption of their aluminum supply in British Guiana they acted. Are we beyond the capacity to act when the Kremlin thrusts a sword into our vitals like this? I ask the chairman of the Committee on Foreign Affairs, Is there nothing we can do to prevent this sort of thing happening? What explanation has the State Department for a situation like this? Certainly, something must be done.

WORD OF GREETING AND APPRECIATION

The SPEAKER. The Chair recognizes the gentleman from Alabama [Mr. ROBERTS].

Mr. ROBERTS. Mr. Speaker and my colleagues, I am happy to be here. It is rather hard to find words to express the love and devotion which I have for the Members of this House and the people on Capitol Hill who have been so kind and thoughtful to me since the experience of March 1. The flowers you sent me brightened my hours in the hospitals. Your letters, calls, visits, and prayers did much to cheer me up and to strengthen and encourage me.

There are a number of individuals to whom I shall always be indebted. I hope if I leave someone out who has been kind to me you will overlook that on my part.

I am especially grateful to the distinguished gentleman from Tennessee, my good friend [Mr. PRIEST] whose quick action and alertness enabled him to fashion a tourniquet out of a necktie and stop the flow of blood until I could be rushed to the hospital for emergency treatment.

I am deeply thankful to our good Chaplain, Dr. Braskamp, who was constantly praying for me, and who came to see me many, many times.

I am also grateful to our Dr. Calver for his attention, especially for his selection of physicians. In the persons of Dr. O. H. Fulcher, a noted neurosurgeon, and Dr. J. Ross Veal, a famous vascular surgeon, I had the best of surgical care. For the aid and attention given me at Casualty Hospital and at Georgetown University Hospital, I am sincerely grateful to the doctors, members of the staff, nurses, and other personnel of these two splendid institutions.

To the people of Puerto Rico, I would like to say I have only the friendliest attitude. I know that the attack by the fanatical maniacs is not representative of these wonderful people. I know that we in the United States will not judge you in Puerto Rico by such people. I received hundreds of messages from schoolchildren on that lovely island; from civic leaders and leaders in government. I was honored by a visit from His Excellency, the Governor, Dr. Luis

Muñoz-Marín, and also from our esteemed Resident Commissioner, Dr. FERNÓS-ISERN.

I am deeply grateful to the people of my own beloved State and the people of my district because one of the nicest things that can happen to a man in public office is to be returned to office, and, fortunately, down my way, being the Democratic nominee means election, and I was renominated by a score of about 8½ to 1.

Above all, I am grateful to divine providence not only for having spared me, but for having spared leaders who were here on the House floor on that day. I do not think there is any question but that God was spreading His divine protection over the House of Representatives on that occasion. I think it may be that we could afford to rededicate our lives to the faith in our country, to faith in ourselves, and, above all, to faith in God because, I think, those faiths have made this country what it is today. And I shall always appreciate this demonstration on your part, and this ovation, although I know I am not worthy of it. I shall always cherish and remember it.

PROHIBITING SUBSIDIZING OF SUBVERSIVE PROPAGANDA BEING SENT THROUGH THE MAILS

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include additional material.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, I have today introduced legislation which will deny second-class entry, permit for bulk mailings of third-class mail, or the book rate from publications, films, and printed matter sponsored by subversive organizations or which has as its objective the dissemination of communistic or other subversive propaganda.

In my judgment, this is the first step in clearing up postal policy which, at the present time, permits sending propaganda material directed against our form of government through our United States postal system. It has its foundation in studies made by a Postal Operations Subcommittee, of which I have the honor to be chairman.

Personally, I believe such material should be excluded from the mail entirely, but objections have been raised against such a sharp departure from past policy. This is based upon objections to censorship which would of necessity be a part of the administration of such a prohibition.

My bill is a first step, a long first step, toward excluding this material from the mail. It will deny below-cost postal rates to this type of propaganda material. It is unconscionable that American taxpayers should be called upon to pay a part of the cost of handling mail-

ings which are intended to undermine our form of government.

In other words, Mr. Speaker, this material can still go through the mail, but they will have to pay the freight on it. It may go first class or it may go fourth-class parcel post, but it will not be subsidized further by the American taxpayers.

Under my bill, the Guide to Subversive Organizations and Publications, dated May 15, 1951, as revised—House Document No. 137, 82d Congress, 1st session—the list of organizations designated by the Attorney General in connection with the Federal employees security program, and those required to register as agents by the Subversive Activities Control Board shall be prima facie evidence that any publication of the organizations therein listed contains the matter making it unmailable at second-class rates, third-class bulk rates or the book rate.

My bill has been arrived at with the cooperation of the Post Office Department, the Department of State and the Department of Justice and, in a large measure, also as a result of studies by my subcommittee.

I hope that we can receive the reports of the executive departments and agencies promptly and trust that this legislation will be enacted at this Congress.

Mr. Speaker, I am attaching hereto a list of the publications which have second-class entry and which are contained in Guide to Subversive Organizations and Publications, House Document No. 137, 82d Congress, 1st session:

LIST FURNISHED BY POST OFFICE DEPARTMENT SHOWING PUBLICATIONS LISTED IN GUIDE TO SUBVERSIVE ORGANIZATIONS AND PUBLICATIONS (H. DOC. NO. 137, 82D CONG., 1ST SESS.) WHICH HAVE SECOND-CLASS ENTRY

NAME OF PUBLICATION AND PUBLISHER
Action, see page 127.
Daily Worker, Publishers New Press, Inc., 35 East 12th Street, New York, N. Y.
Daily People's World, Pacific Publishing Foundation, Inc., 590 Folsom Street, San Francisco, Calif.
Honolulu Record, Honolulu Record Publishing Co., Ltd., 811 Sheridan Street, Honolulu.
Jewish Life, Progressive Jewish Life, Inc., 22 East 17th Street, New York, N. Y.
Labor Action, Labor Action Publishing Co., 114 West 14th Street, New York, N. Y. (This appears to be the organ of the Independent Socialist League, formerly the Workers' Party which organization is on the Attorney General's list.)
Lawyers Guild Review, National Lawyers Guild, 40 Exchange Place, New York, N. Y.
Ludove Noviny, John Zuskar, 1510 West 18th Street, Chicago, Ill.
L'Unita Del Popolo, Italian-American People's Publications, Inc., 130 East 16th Street, New York, N. Y.
Masses and Mainstream, Masses and Mainstream, Inc., 832 Broadway, New York, N. Y. (Appears to be successor to New Masses.)
Morning Freiheit, Morgen Freiheit, Inc., 35 East 12th Street, New York, N. Y.
Narodna Volya, Narodna Volya (People's Will) Co-op Publishing Co., Inc., 5856 Chene Street, Detroit, Mich.
Narodni Glasnik, Narodni Glasnik Publishing Co., 1413 West 18th Street, Chicago, Ill.
The New World (Novi Svet), Novi Svet Publication, 1845 West Cermak Road, Chicago, Ill.
New World Review, SRT Publications, Inc., 23 West 26th Street, New York, N. Y. (Successor to Soviet Russia Today.)
Our World, Our World Publishing Co., Inc., 35 West 43d Street, New York, N. Y.
Political Affairs, New Century Publishers, Inc., 832 Broadway, New York, N. Y.
Ukrainian Daily News, Ukrainian Daily News, Inc., 85 East Fourth Street, New York, N. Y.
UUS ILM, Uus Ilm Publishing Co., Inc., 126 East 120th Street, New York, N. Y.
Vistnik-Messenger, Rev. Stephen Varzaly, 146 Third Street, Rankin, Pa.
Vilnis, Workers Publishing Association, Inc., 3116 South Halsted Street, Chicago, Ill.
Yiddishe Kultur, Yiddisher Kultur Farband, Inc., 189 Second Avenue, New York, N. Y.
The German American, The German American, Inc., 130 East 16th Street, New York, N. Y.

NOTE.—There are several other publications with names similar to those which appear in House Document No. 137 although it is impossible to establish that the name registered in the Department as having second-class entry is the same as that listed in House Document No. 137. They include:

The California Eagle, Los Angeles, Calif.
The People's Voice, Helena, Mont.
The Spotlight, Glen Cove, N. Y.
The Reporter, Ann Arbor, Mich.
The Labor Herald, Wilmington, Del.
Labor Herald, Baltimore, Md.

WHERE DO WE GO FROM HERE? AND THE COMMUNIST CONTROL BILL

Mr. SIEMINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SIEMINSKI. Mr. Speaker, soon the Congress will take up the Communist control bill. Its obvious aim is to break up any bear hug the Kremlin would use to squeeze the life out of America.

There are some who hold that the failure of man to deal adequately with militarism, industrialism, and economic nationalism has encouraged communism to grow from a theory to a conspiracy; and that, as we govern the military, and manage industry and integrate national economies with four moral principles that motivate man for good on this earth, the principles of honesty, purity, unselfishness, and love, then, and only then, will the Communist threat recede and blow away. Others hold differently.

Where do we go from here?

Duell, Sloan & Pearce have put out a booklet entitled "Where Do We Go From Here?" It covers ground which I think will be helpful to the House in its consideration of the Communist control bill, soon to come before it.

Under unanimous consent heretofore granted, I include the booklet in the RECORD:

WHERE DO WE GO FROM HERE?—A SIMPLE GUIDE TO THE WORLD WE LIVE IN, WHAT MAKES IT TICK, WHAT TO DO ABOUT IT

DEAR CITIZEN AND FELLOW SUFFERER: You may have felt, as we do, that life is uncomfortably like living on a volcano. You never know when the darn thing may go up.

So we decided to see what goes on in this world, what has gone to land us in the present mess, and what we can do about it.

Yours,

HANNEN AND CAMERON.

Many thousands of years ago there was an Ice Age.

And then there was a Stone Age, and in 5,000 B. C. the world entered the Bronze Age, and the Iron Age, and only 180 years ago a man harnessed a power as old as time and ushered in the Industrial Age, and now we are moving into the Ideological Age.

Yes; the ideological age—99 percent of the 2,400,000,000 people alive at the mid-point of this century don't realize this. Which causes much of the trouble, for it gives extraordinary power to the 1 percent who do. You'll only understand what's going on in the world when you understand an ideology. We wonder if you know what is an ideology?

We found out that an ideology is a faith which grips men and nations. It gives a philosophy, a passion, and a plan to change the world; and it creates the force of people to do it.

Ideas are today the deciding factor. The future depends on the idea that grips the minds of the millions. For instance, let's have a look at a couple of specimen ideologies that everyone knows.

You may or may not like these ideas, but you must admit they win people. Specimen No. 1, nazism: One man, Hitler, had an idea. His idea was: One race shall rule. He wrote a book—*Mein Kampf*. The idea struck a chord in millions of hearts and minds. In a few years a broken-down country became strong enough to challenge the world.

We all know what happened.

Specimen No. 2, communism: One man, Marx, had an idea. His idea was one class shall rule. He wrote a book *Das Kapital*. The idea appeals to millions who feel the world must be changed and that revolution is the only realistic way of doing it. In varying degrees every country is affected, and now half the world is controlled by those ideas.

No one who lives on this planet can remain unaffected by the ideological struggle, not even in the most remote places.

In every place—each country, each factory, each trade union, each university, each newspaper—materialist ideas reach out to grip men's minds.

Why do top scientists flee to other countries? Why do trusted men pass vital secrets to a foreign power? Why do even government officials from top social and educational backgrounds trot off? Because an ideology has captured their minds.

How an ideology takes over men and nations.

Vishinsky said: "We shall conquer the world, not with atomic bombs, but with our ideas, brains, and doctrines."

In the ideological age the future lies in the hands of those who know how to use ideas to win men's allegiance.

But the Communists haven't even got a seat in Parliament.

"I may have lost my seat in the House of Commons, but the Communists have taken 450 million people in China." (British Communist parliamentary candidate).

"The great issues will be settled, not in the arena of this reactionary Parliament, but by the workers' mass struggle in the factories and in the streets." (Secretary, British Communist Party).

We seem to be spending millions on armaments—I suppose it's the only way to be safe. Today we need not only a gun in our hand, we need an idea in our head and an answer in our heart. After all, nations have been taken over in recent years without a shot being fired. Modern warfare means that

nations are out-thought before they are out-fought.

You can't defeat an idea by being anti-it, ignoring it, or shooting it. You can only meet an idea with a superior idea.

What is the superior idea? (Slight pause for breath and refreshment while you get a piece of paper and write down what you feel is the superior idea.)

The Nazi idea was: A new order through the rule of one race.

The Communist idea is: A new society through the rule of one class.

The Superior idea is: A new world through the rule of one idea—"it's not who's right, it's what's right."

What's right? How do I know what is right?

There are absolute standards for human society just as there are for engineering.

What sort of a building would result if architect and builder did not employ recognized standards?

It's because we don't apply absolute standards to our living that society is in danger of collapse.

Here are the standards:

Absolute honesty: Honest apology is the highroad to lasting peace.

Absolute purity: A great cleansing force through the nations.

Absolute unselfishness: There is enough in the world for everyone's need, but not for everyone's greed.

Absolute love: If everyone cared enough and everyone shared enough, everyone would have enough.

These standards are the four pillars of a new age.

Yes; but why absolute? Because the world needs an authority everyone can accept. Besides, a standard must be absolute, or it isn't a standard.

Who wants a parachute that almost opens?

Who wants a boat that floats most of the time?

Who wants an egg that is nearly fresh?

But doesn't this sound rather like changing one's ways?

Yes; it does mean change. But change is the key to the world of today. It's a changing world, and to get along in it you've got to ----- (Write here 6-letter word meaning to adapt yourself to altering world circumstances.)

Everybody wants to see the other person change.

Every nation wants to see the other nation change.

But everyone is waiting for the other to begin.

If you want an answer for the world, the best place to start is with yourself (and your own nation).

How can I change?

"Men must choose to be governed by God, or they will condemn themselves to be ruled by tyrants" (William Penn).

By a miracle of science men can speak by radio to millions. By a miracle of the spirit, God can speak to every man. His voice can be heard in every home, every business, every government. When man listens, God speaks. When man obeys, God acts.

It does not matter who you are or where you are. Accurate, adequate information can come from the mind of God to the minds of men who are willing to take their orders from Him.

"This is the revolution which will end revolution by changing human nature and remaking men and nations" (Frank Buchman).

God gave us 2 ears and 1 mouth: Why don't we listen to Him twice as much as we talk?

It's worth thinking over: Am I part of the cure or part of the disease in the world?

Remember, you can't make a good omelette out of bad eggs.

How do I begin? Take pencil and paper. Write down your thoughts. They may seem ordinary, but be honest—absolutely. You may have things to put right—well, how else can you build a new world?

Honesty: What about money? Taxes? What I told the family? Everything?

Purity: Do I live on the get or on the give?

Unselfishness: Do I put the other fellow first? All the time?

Love: Anyone I hate? Dislike? Or just don't care for? Why?

(Is the world the way it is because I am like this?)

You don't think it's necessary to change? You think you can take all that's coming? So did the dinosaur.

"This tough guy ruled in ancient days,

But one thing he forgot:

He failed to alter with the times—

Today he just is not."

The fact is that—

Human nature can be changed—that is the root of the answer.

National economies can be changed—that is the fruit of the answer.

World history can be changed—that is the destiny of our age.

New men, new nations, a new world. In the age when we've learnt to split the atom we must learn to unite humanity. It's get on together or blow up together.

In any negotiation it's not who's right—it's what's right.

Then industry will make the wealth and work of the world available for all and for the exploitation of none, and the workers will unite the world. This inspired ideology is for everyone everywhere.

It is the ordinary man's opportunity to remake the world.

With this ideology, industry will produce enough for the needs of all; homes will secure the next generation from chaos; armies will give new standards of moral training to their nations; cabinets and diplomats will be totally effective for they will have the power to turn enemies into friends; nations will arise from apathy, disillusion, and division. Renaissance is inevitable. This is our future—and it works.

That's what we found out. And the great thing is that these ideas have been tried out and proved practical in over 100 countries.

Results have been breathtaking. You'll find the same as you put this into action in your home and where you work.

Drop us a line if you want to know more.

Yours,

HANNEN AND CAMERON.

P. S.—Your bookstore has *The World Rebuilt*, by Peter Howard, which gives many facts, and we recommend it.

You can reach us care of Moral Rearmament.

LEGISLATIVE BRANCH AND JUDICIARY APPROPRIATION BILL, 1955

Mr. ALLEN of Illinois. Mr. Speaker, I call up House Resolution 555 and ask for its immediate consideration:

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9203) making appropriations for the legislative branch and the judiciary branch for the fiscal year ending June 30, 1955, and for

other purposes, and all points of order against said bill or any provisions contained in said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Illinois [Mr. ALLEN] is recognized for 1 hour.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH].

At this time I yield 2 minutes to the gentleman from Ohio [Mrs. FRANCES P. BOLTON].

Mrs. FRANCES P. BOLTON. Mr. Speaker, I am very grateful for this time. I am today introducing a resolution which I would like to read to the House:

Whereas this year marks the 100th anniversary of Florence Nightingale's historic nursing of the wounded in the Crimean War; and

Whereas Nurse Genevieve de Galard-Terraube, officer of the Army of the Republic of France, in her ministering to the sick and wounded at Dien Bien Phu and her subsequent service to her comrades as prisoners of the Viet Minh has provided an example of the courage of a woman in battle and of the devotion of a nurse to her sworn duty which has been unsurpassed in this century; and

Whereas this inspiring woman is representative of the devotion to duty of soldiers of the Republic of France, which has been an ally of the United States for 178 years and whose people today are considered the warm friends of the people of the United States; and

Whereas Nurse Genevieve de Galard-Terraube's example of fortitude in the face of supreme danger has changed the fall of Dien Bien Phu from a military reversal to a great psychological victory of the undefeated principles of free mankind fighting the force of darkness; and

Whereas this nurse, known affectionately as "The Angel of Dien Bien Phu," embodies the finest attributes of free women accepting with men the full burden of living in our modern world: Therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress hereby extends to Nurse Genevieve de Galard-Terraube its warm congratulations for her gallant service and invites her, at the earliest time convenient to her and her country, to visit the United States as an honored guest.

The President is respectfully requested to transmit copies of this resolution to the Government of France, and to Nurse Genevieve de Galard-Terraube.

I deeply appreciate this opportunity of presenting this myself to the Members of the House, a concurrent resolution, which I am now introducing.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I rise to urge the adoption of House Resolution 555, making in order the consideration of the bill (H. R. 9203) making appropriations for the legislative branch and the judiciary branch for the fiscal year ending June 30, 1955, and for other purposes.

House Resolution 555, Mr. Speaker, provides for an open rule, waiving points of order against the bill, and allows for 2 hours of general debate on the bill itself.

This bill, Mr. Speaker, specifically appropriates the money to take care of the expenses for the fiscal year of 1955 of the House of Representatives, the Architect of the Capitol, and the Botanic Gardens, the Library of Congress, the Government Printing Office, and the Judiciary.

Mr. Speaker, I think it should be noted here that the budget estimate for 1955 came out with the figure \$87,063,993, or \$4,758,048 more than the Appropriations Committee has asked the Congress to appropriate.

Mr. Speaker, one of the most pertinent points that I found in the report of the Appropriations Committee on this bill was the fact that the legislative-judiciary appropriation bill is the smallest of the regular annual appropriation bills, and that it represents less than two-tenths of 1 percent of the appropriations for the executive branch of the Government.

Mr. Speaker, the Appropriations Committee has presented what I think is an excellent bill to the Congress. I would like to congratulate the distinguished chairman of the Appropriations Committee and the members of the committee on the very fine work that they have done on this bill. I hope that the rule will be adopted so that we may proceed expeditiously to the consideration of the bill.

Mr. Speaker, I yield to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, I have no requests for time on the rule. I know of no objection to the rule or to the bill. I yield back the balance of my time.

Mr. ALLEN of Illinois. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to, and a motion to reconsider was laid on the table.

Mr. HORAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9203) making appropriations for the legislative branch and the judiciary branch for the fiscal year ending June 30, 1955, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9203, with Mr. O'HARA of Minnesota in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Washington [Mr. HORAN] is recognized for 1 hour and the gentleman from Ohio [Mr. KIRWAN] will be recognized for 1 hour.

Mr. HORAN. Mr. Chairman, I yield myself such time as I may require.

The CHAIRMAN. The gentleman is recognized.

Mr. HORAN. Mr. Chairman, the total in this bill is about \$2,250,000 below last year's appropriation for this purpose, and about \$4,750,000 below the Budget estimate. There are two areas of increase. In the House of Representatives we have increased the allowances because it was brought to the committee's attention that too many of the Members were paying for their office expenses out of their own pockets. We have also increased clerk hire and raised the base.

In the judiciary we have provided for the further air conditioning of the Supreme Court Building to the extent of \$150,000; and for the new judges that were created by legislation recently together with supporting personnel needed by them.

The fees of jurors and commissioners due to increased Federal court work have been increased \$160,000.

I want to say that we followed the practice of the other body by providing a more honest and more proper gratuity payment for deceased help up here on the Hill. The other body has had this same plan for 2 years and we are simply following the Senate's lead in that regard.

This bill, of course, carries appropriations in the legislative branch for the House of Representatives. We have nothing to do with appropriations for the other body. It also carries appropriations for the Botanic Gardens, the Government Printing Office, and the Library of Congress.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield.

Mr. BROWN of Ohio. I have asked the gentleman from Washington to yield with reference to the Library of Congress. I note that on page 18 of the bill you refer to the Legislative Reference Service and the Digest of Public and General Bills. I had a rather peculiar experience this morning that I think should be called to the attention of the House and this appropriations subcommittee.

I had some correspondence and some calls relative to House resolutions and bills pending before this body and before the Rules Committee of which I am a member. To my amazement when I turned to the Legislative Digest I was unable to find any reference whatsoever to those bills which actually are legislative matters. I then called the Library of Congress with reference to it and could not get any information whatever. So I called the well-known Elmer Lewis in the document room just off the House

floor and had him read this House resolution to me so that I might get the information I wanted. According to my understanding, the Library of Congress was originally established to serve the Congress of the United States and I think for the benefit of the Congress we should insist or the gentleman's committee should insist that the Legislative Digest as given to Members of Congress and as made available to certain Government officials for their use contain all legislative matters that may be pending. We ought to be able to turn to that document and find out information in reference to any legislative proposal so that we may know what it is and not have to spend an hour or two running around trying to locate information on the matter.

Mr. HORAN. I do not think there is any question but what the gentleman from Ohio is exactly right. I call attention to page 4 of our report where we try to spell out there for the benefit of the House of Representatives what we think the Legislative Reference Service should be for the benefit of Members of Congress. If they will stay within the work they were set up to do I think we will have less trouble in that regard and they will be more service to us.

Mr. BROWN of Ohio. I have no desire to offer an amendment to this bill because the committee and the subcommittee have done an excellent job; but I am hoping that the committee will take this matter up with the Library of Congress. With that understanding I will not offer an amendment. I hope in the future we may have House and Senate resolutions contained in the Legislative Digest for the benefit of the working Members of Congress. Some of us do work on these legislative matters.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from New York.

Mr. KEATING. I have no disposition to offer an amendment or to quarrel in any way with the wording of the committee in its report, page 4, where they are somewhat critical of the work of the Legislative Reference Service. I have not read the hearings and I am not familiar with all of the factors which entered into the decision of the committee in making those critical references; however, I do think I would be unfair to those who have cooperated with me if I did not as one Member of the House say that the Legislative Reference Service has been extremely helpful to me in many matters which I have referred to them. I regret that the committee feels that they have in some respects gone outside of their proper province. I may say, and I think I should say, that I am apparently in part in error because I have requested them on occasions to draft bills for me. I was not aware that that was not a proper function of the Legislative Reference Service. Perhaps I should have been. But in all respects they have always been very cooperative with me and I feel in fairness that I should make that a matter of record at this point.

Mr. HORAN. In reply to the gentleman from New York, may I say that if we appear to be critical in this report it is intended only for clarification of the specific purpose for which the Legislative Reference Service was set up originally in 1946. We feel it is the duty of the Appropriations Committee to know the intent of the Congress and to occasionally bring the administration back to home base, so to speak. They did draft last year 16 bills. We did not think that that was their job, since we have a Legislative Counsel to do that work, and in this work we have increased his fund \$13,000 so that he can be equipped to take care of the Members. Now we are still looking into some of the contractual relationships that the Legislative Reference Service has had with certain neo or full administration departments. We think they should clear the deck entirely for service to the Members, and if we find them straying, I think it is our job to call that to their attention. They have done splendid work for the chairman of this subcommittee, and I want to state here and now that if we appear to be critical, we hope it is in a constructive direction.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Oklahoma.

Mr. ALBERT. I am sure the gentleman noted in last night's Washington Star a lead editorial critical of the committee with reference to funds for the Library of Congress, the gist of the criticism being, as I understood it, that the tremendous and great facilities of the Library would not be made fully available to the country generally in the future. That was my understanding of the criticism. Is that a just criticism, or is that correct?

Mr. HORAN. I do not feel that it is. We have allowed them in excess of \$8 million of direct appropriations and they have more than \$2.5 million of transfer funds from other departments. We have watched it very closely. Such reductions as we have made here were made on the basis of the experience of their handling of funds and the amount they are apt to obligate at the end of the fiscal year, and that is where the cut was made. We do feel that originally it was set up as the Congressional Library. Now we have deviated from that. We have in operation over there trust funds as well as direct appropriations and transfers. So, naturally, to that extent, it is a national monument. We do not object to that, but we do want clarification in its relationships with the Members of this body.

Mr. ALBERT. I think that is the important point. Of course, primarily it was organized to serve the Congress, and I think that should always remain its primary function. It is a great institution in which the taxpayers have invested hundreds of millions of dollars and in which are collected some of the finest library works in the world. I do not think the committee intended that this should be a curtailment of the use of the Library in any way by other depart-

ments of the Government or by scholars or other Americans interested in it.

Mr. HORAN. That is true.

Mr. McCARTHY. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Minnesota.

Mr. McCARTHY. Will the gentleman tell me whether, as the result of these cuts, the Library card service of the Library of Congress will be curtailed?

Mr. HORAN. We do not feel that it will be. That is a very fine service. I know some people are trying to legislate through the Western Union in this regard.

Mr. McCARTHY. I have not received any telegrams.

Mr. HORAN. Well, I have.

Mr. McCARTHY. What curtailment will result?

Mr. HORAN. We do not feel that that service will be curtailed in the least.

Mr. McCARTHY. What service will be curtailed?

Mr. HORAN. None.

Mr. McCARTHY. And there will be no reduction in service?

Mr. HORAN. There will be, I suppose, a new Librarian of Congress. One has been designated, and we had him come here and sit in as an observer, because we believe that business methods could be employed in the Library that would effect a saving. I would like to say that we put the Government Printing Office on a business type budget last year, and this year Mr. Blattenberger was able to return \$5 million to the Treasury. That sort of thing can be employed, we think, in the Library, where some of their fiscal practices have been quite loose.

Mr. SMITH of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Mississippi.

Mr. SMITH of Mississippi. I want to commend the gentleman for the statement he has made about the effort to improve the practices in the Library and also to commend him for the statement that the committee feels there is no effort being made to curtail what you might call the national functions to the public and service to the public by the Library of Congress. I think it is a great American institution that we should preserve as a part of this great country of ours.

Mr. HORAN. I thank the gentleman.

Mr. LECOMPTE. Mr. Chairman, will the gentleman yield?

Mr. HORAN. Yes, I yield.

Mr. LECOMPTE. I see that the committee has reduced all of the services of the Library, according to the amounts of money that have been approved. First of all I wanted to ask about the Copyright Office. That pays its own way and turns in a balance to the Federal Treasury, does it not?

Mr. HORAN. It does not pay its way entirely. The only self-supporting institution in this entire bill, as I understand it, is that of the Superintendent of Documents.

Mr. LECOMPTE. What about the card catalog?

Mr. HORAN. No; that is about \$100,000 short of being self-supporting.

Mr. LECOMPTE. Is the gentleman's committee aiming to curtail those services?

Mr. HORAN. No.

Mr. LECOMPTE. What I wanted to ask about principally is the Legislative Reference Service. That is the reason we have the Library. That is the whole purpose of it. That is to say, it is for the purpose of advising Members of Congress and doing research for Members. The Legislative Reference Service it seems to me is the reason for having the Library. The Legislative Reference Service has to take over the drafting of bills when the drafting service is overloaded. All Members of Congress employ the Legislative Reference Service.

Mr. HORAN. Will the gentleman permit me to reply to that? I think if the gentleman's great committee would get together and authorize them to draft bills, then it would be legal for them to do so. But in their basic legislation, there is no requirement that they draft bills.

Mr. LECOMPTE. I understand that, but when bills have to be drafted and the regular drafting service is overloaded, the gentleman has no objection to the Legislative Reference Service taking over, does he?

Mr. HORAN. Yes, I do.

Mr. LECOMPTE. What about my committee? We draft bills and resolutions on request for Members.

Mr. HORAN. We have set up the Legislative Counsel to draft bills and until the gentleman's committee changes that, that is going to be the service that drafts bills.

Mr. LECOMPTE. Does the gentleman object to the House Administration Committee drawing up resolutions? We do that for individual Members right along.

Mr. HORAN. The gentleman is asking me questions about this bill, which is all right. But I cannot answer that question. We have two services that are in conflict according to the gentleman's question. One is the Legislative Counsel whose job it is to draft bills. The job of the Legislative Reference Service is not to draft bills.

Mr. LECOMPTE. We can put a stop to that instantly with an order.

Mr. HORAN. We have stopped it in the bill.

Mr. LECOMPTE. If the gentleman objects to their taking care of the overflow, that is something else. All they take care of is the overflow.

Mr. HORAN. We feel that they should not be working for other departments, but only for Congress.

Mr. LECOMPTE. It is not a question of other departments. The extra work that the gentleman refers to in the case of other departments is when committees take one of the staff of the Legislative Reference Service and employ all of his time for a considerable period, for which the Service should be reimbursed, but frequently is not.

Mr. HORAN. I call the gentleman's attention to the schedules shown on

page 249 of the hearings where he can learn about these contractual relationships which we have criticized. This Service was begun in 1946 with a beginning appropriation of about \$178,000. They came back this year and wanted almost a million dollars. They had over \$900,000 last year.

Mr. LECOMPTE. Here is what the figures show. The Legislative Service had \$901,000. They asked for a little bit of extra help to take care of the 32-percent increase in their workload. The gentleman's committee not only did not give them any money for that increase, but cut the Service below what had been provided for the current year. The gentleman's committee cut the Legislative Reference Service \$143,000.

Mr. HORAN. No; that is, below the estimate, but not below what they had the previous year.

Mr. LECOMPTE. The gentleman did not approve for them the same amount that they had the previous year. They were cut despite the increase in the workload.

Mr. HORAN. That is correct. Part of that was due to the 16 pieces of legislation that they drafted for which they were not set up.

Mr. LECOMPTE. That did not take half of the time of one employee. They have about 140 employees, and the action of the committee will reduce them to 130. That is what the figures show. In my own mind I can scarcely consider the action of the committee as an exercise of economy, when the bill is filled with legislation on an appropriation bill that will cost millions of dollars, and comes before the House under a rule waiving all points of order.

I think the time is going to come when this House will have to face up to the proposition of what to do about legislation on appropriation bills. The jurisdiction of the several committees is going to have to be preserved if we are to proceed in an orderly manner. In my own mind I cannot reconcile the idea of one committee stepping over into the jurisdiction of another committee. Your whole bill is going to cost a great deal more money than the little dab you are trying to take off the Legislative Service, which serves individual Members and each of the committees of both Houses of Congress.

Mr. HORAN. We suffer sometimes when the proper committees do not function, and that is what is here.

Mr. LECOMPTE. If you are interested in the things that you put into this bill that are truly legislation on an appropriation bill, why, if you wanted to get the committees to function, did you not introduce resolutions and have them go to the appropriate committees?

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. May I ask the chairman of the Subcommittee on Legislative Appropriations whether the impression which is prevalent today, and has been the last few days, is correct,

that the Library of Congress has not been functioning according to the present intention of the Congress; whether or not their activities are being less devoted to the needs of the Congress than they should be?

Mr. HORAN. We thought they were, after hearings, and we thought that enough so that we put in the report words spelling out what we thought the duties of the Legislative Reference Service to the Congress were.

Mr. EBERHARTER. Would the gentleman say the service rendered to the Members of Congress on their request was not quite satisfactory in the past 3 or 4 years, or something to that effect?

Mr. HORAN. We do not say that. We are trying to spell out what the duties are. They are not to draft bills, as we have legislative counsel to perform that function. That is a duplication of effort. It is in the interest of economy in the Congress and the Nation, I think, to cut out duplication where it occurs. That is the way we felt about it.

Mr. EBERHARTER. The gentleman is absolutely right in that respect, but I just wondered whether there is any justification for complaints that we occasionally hear from Members of Congress who have made requests to the Library of Congress for certain information that proper research has not been made. Is there any justification for those complaints? Has the committee found any such justification in its hearings?

Mr. HORAN. No; we have received no such complaints.

Mr. EBERHARTER. So the curtailment that is recommended by your committee will not result in any lessening of the service of the staff of the Library of Congress to the Members of Congress?

Mr. HORAN. I do not feel that it will.

Mr. EBERHARTER. The gentleman does not think it will even result in any lessening of services to the general public?

Mr. HORAN. That is not our feeling.

Mr. EBERHARTER. Then why was it necessary within the past few years to curtail the number of hours the Library has been open to service the people of the country?

Mr. HORAN. I do not understand they have curtailed the hours.

Mr. EBERHARTER. It used to be open in the evening.

Mr. HORAN. It still is.

Mr. EBERHARTER. I understand it now closes at 6 o'clock. Is that correct?

Mr. HORAN. The Library is still open. I understand you cannot get books after 6.

Mr. EBERHARTER. That is some curtailment of services to the public, then. Would the chairman express an opinion as to whether or not it is a good idea to close the Library in some respects at 6 o'clock, thereby preventing some workingpeople from using the facilities of the Library?

Mr. HORAN. We are not trying to run the Library of Congress. We are pointing out what we think are the relationships between the Congress and the Library. It is the Librarian's job to use his employees over there in such a way

as to give maximum service. He has 2,300 persons working in the Library, and over 700 of them operate on transferred funds. He has plenty of help. He has 80 guards, 4 more guards than the Capitol Police Force. They are not suffering so badly as you might think.

Mr. EBERHARTER. Would the gentleman agree with me then that it is the opinion of the subcommittee that the present recommended appropriation is sufficient to satisfy the needs and the proper purposes of the Library?

Mr. HORAN. We think so, surely.

Mr. EBERHARTER. And if the recommendation of the committee is followed, there will be no further curtailment of services either to the Members of Congress or to the public?

Mr. HORAN. We do not think there will be.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield.

Mr. BAILEY. Mr. Chairman, I do have a rather critical observation to make. The distinguished chairman of the subcommittee will recall that the Congress during the first session of the present Congress set up the well known Randall Commission to study our trade policies. The Library assigned one of their chief research men to accompany the group to Europe to make those studies, and since their return and the report of the Randall Commission, 2 or 3 of their research experts have been engaged in making surveys in congressional districts over the Nation to try to justify the recommendations of the Randall report. I think they are going just a little bit far afield when they go into propaganda in support of policies of that nature. I do not know how much information the committee might have on what is going on there, but that is true and this research is being made right at the present time.

Mr. HORAN. I am glad to hear that.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield.

Mr. MASON. Would you not say that if the recommendations of your committee, and the suggestions made in your committee report were followed through by the Library, that there will be better service and more efficient service for less money as a result of it?

Mr. HORAN. That is what we feel. That is the reason we did this.

Mr. MASON. That is your main object, is it not?

Mr. HORAN. Surely.

Mr. McCARTHY. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield.

Mr. McCARTHY. I find it somewhat difficult to reconcile the answer you have just given with the statement in the final sentence in the report dealing with the Library of Congress in which you say, "The reductions are due to the committee's feeling that the Library has gone far beyond the function for which it was originally created." Now which functions are you going to contract? You say all of the things the Library is doing

now will be continued, yet you say the reductions are due to the committee's feeling that the Library has gone beyond the functions for which it was originally created. Which functions are going to be eliminated, and which are going to be restricted?

Mr. HORAN. Well, we hope that they will quit publishing folklore tales telling you how to get warts off your fingers. We hope they will not publish such things as a girl out in Kansas telling you how to cure a bellyache by reaching down and picking up a clod and spitting where the clod was and then laying the clod back on it, and that that will cure your stomachache. We think that they probably can get away from the publication at least of that sort of thing.

Mr. McCARTHY. You do not think that should be in the Library of Congress?

Mr. HORAN. No; I do not think we should appropriate money for that sort of thing.

Mr. McCARTHY. Do you not think that perhaps the records should show that that is one of the things that people once believed in this country?

Mr. HORAN. I do not think so; no.

Mr. McCARTHY. Do you think the Library of Congress should show that some Republicans at one time said that the Federal Deposit Insurance Corporation would ruin the American banking system or is that just as ridiculous as the thing you just mentioned?

Mr. HORAN. Mr. Chairman, I refuse to yield further.

Mr. KIRWAN. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. WICKERSHAM].

Mr. WICKERSHAM. Mr. Chairman, with reference to the work done by the Library of Congress, and I have received telegrams from the libraries showing the importance of this program, I, for one, believe the Library of Congress is rendering an excellent service not only for the Members of Congress but for the people of this country, and for the libraries. I know many instances where Dr. Ernest S. Griffith and his group have rendered splendid service through the Legislative Reference Section and other sections of the Library of Congress, and I know James Radigan, of the Law Digest Section, has performed a splendid service many times when, because of the heavy work load our Legislative Counsel down here was unable to draft bills for Members. I wish to pay this compliment to Ernest Griffith, Jim Radigan and all the employees of the Library of Congress.

Mr. KIRWAN. Mr. Chairman, I am in accord with the chairman of the committee. I made this statement not in a humorous way. I made it in the committee; that in the Congressional Library you can get anything but furnished rooms. But now the complaint is there are not enough baths over there. I mean that sincerely.

When we were elected in 1948, the first thing this reference part of the Library did was to come before the committee. I happened to be the ranking member then. We gave them 40 new employees.

Now they come in for 20 more this year in this bill. We did not give them to them. Then they call up Congressmen and say they have been discriminated against; that they asked for 20 employees and did not get them. What the chairman wanted to point out was the difference between the Legislative Reference Library and the Legislative Counsel. If a Congressman wants a bill drawn up, there is the place to have it done. If there is not enough help down there, we are satisfied to give them the help, but not to the Library, and have that reference crowd there draw it up. We want them to stay in their own field.

It is the same in other ways. They have taken over everything that the Smithsonian Institution should take over. It takes a lot of new help to look after it all. A Congressman goes over there and calls for a book and they tell him there are 8 or 10 people downtown who are ahead of them on requests for that book. "We are sorry, but you will have to wait a couple of weeks." From what I understand, the Library was set up for the benefit of Congress. That is what we are trying to do—to keep it over there, and at the same time keep it the best library in the world for all Americans, whether daytime or nighttime. Let people go over there and have the use of that Library, but let them stay in their own field. Let them stay out of the Smithsonian Department and the Archives Building downtown. We spent a lot of money setting that up, but the Library wants to take that over too. I think this is a good bill and I am in accord with the chairman.

I now yield 5 minutes to the gentleman from Minnesota [Mr. McCARTHY].

Mr. McCARTHY. Mr. Chairman, I would like to go along with the committee if this reduction is warranted, but after reading the report and listening to the discussion, I am not satisfied that a good case has been made by the committee. On the one hand we are assured that no function of the Library will be eliminated or reduced. Then in the report we read that—

The reductions are due to the feeling of the committee that the Library has gone far beyond the function for which it was originally created.

If this is the case, it seems to me that the point made by the gentleman from Iowa earlier should be taken up by the legislative committee which is responsible for the operation of the Library. We should not act on confused and contradictory recommendations from the Appropriations Committee with regard to the Library of Congress.

I have some criticism to make of the Legislative Reference Service. It is my opinion that oftentimes the Reference Service does not operate as a research service should operate. It is my opinion that the Library service should be objective. If a Member calls and says, "I want research on this question," the Legislative Service should not in my opinion ask, "Which side are you on?" as I have been told they sometimes do.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. McCARTHY. I yield.

Mr. HOFFMAN of Michigan. If what the gentleman says is true they should not ask—

Mr. McCARTHY. That is my opinion.

Mr. HOFFMAN of Michigan. But if you pursue it further I think you will find they do not pay any attention to what particular views a Congressman wants information on; they put in their own.

Mr. McCARTHY. I think a legislative committee should take that up, and perhaps we should give congressional instruction and direction to the Reference Service.

Mr. HOFFMAN of Michigan. What I mean is that they argue from their point of view instead of giving you information on both sides of it.

Mr. McCARTHY. I think the gentleman is right. It is my opinion that the research people employed are in some cases incompetent. I think we ought to have more and better people in the service who can effectively do research beyond looking up an article in an encyclopedia and sending it over to a Member of Congress as a piece of research.

Despite these criticisms, I do not think that this reduction is justified. If we are to make a cut, we should have better reasons than a statement by a member of the Appropriations Committee that some of the folklore which has been recorded in the Library of Congress does not in his opinion have much importance or any worth. We should let the proper legislative committee take up the problem.

Mr. KIRWAN. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, in discussing this question of the Library of Congress, the gentleman from West Virginia [Mr. BAILEY] brought in the matter of the Randall Commission report. We, of course, are getting quite familiar with commissions these days, and getting quite familiar with reports of commissions; but action by Congress as a result of these reports and these recommendations of the various commissions is totally lacking, it seems to me.

When the gentleman from West Virginia [Mr. BAILEY] brought up that subject, he was not, of course, in agreement with the report of the Randall Commission with respect to the extension of the reciprocal trade agreements program for another 3 years, which is very much in line with the dynamic program of President Eisenhower. That was one of the main planks in his forceful exposition to the American people of what is absolutely necessary for this country in order to make progress and not go back to the old, old discarded and discredited system of high tariffs.

We all know, Mr. Chairman, that the personnel of the Randall Commission was about as high grade and as high quality as it was possible to obtain in the entire United States. They really

worked hard. They went over to Europe and spent quite a few days there in consultations, studies, and research, and other things. They came back with a very fine report.

The reciprocal trade agreements program expires within about 3 weeks' time, and no action has been taken yet, no hearings have been held, no further studies have been made by the proper committees of Congress with respect to the recommendations made by this very expensive Randall Commission. This could create doubt in the minds of many as to whether or not we ought to continue this practice of creating commissions to make further studies on various subjects. We authorized a number of commissions within the last 10 days to deal with education. Most all of them are useless, in my opinion, of course; nevertheless, the House adopted the resolutions creating them.

I do not know but what the Library of Congress perhaps could take over these studies and research problems, and, as was suggested by the gentleman from Michigan [Mr. HOFFMAN] and the gentleman from Minnesota [Mr. McCARTHY], they could make objective studies and reports to the Congress. Maybe we could do away with the necessity for bringing in people from business and the professions, from the colleges, and so forth, and have some objective reports from the Library of Congress.

It is quite a few weeks since the Randall Commission made its report and recommendations, as I stated before, but so far, nothing has been done about them. Ever since those recommendations and reports were made they have been dying a slow death. Just 2 or 3 days ago the President of the United States admitted the demise of the Randall report by saying he would be willing to accept just a 1-year extension of the reciprocal trade agreements program, which is having the effect of sounding the death knell to all recommendations of that Commission. This should cause us to think whether or not it would be better for the President to wait until next year before he attempts to force action by Congress to carry out his recommendations with respect to the reciprocal trade program; because next year he will have Members of the Democratic Party in the majority who are sympathetic with that program, who are sympathetic with the idea of a more trade, less aid program; then he will not be at such odds with Members of his own party.

I am making the suggestion, Mr. Chairman, that instead of appointing all of these various commissions to report on every subject that comes before the Congress, we ought to enlarge the facilities of the Library of Congress. I am making this suggestion rather seriously, too.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. HORAN. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mrs. FRANCES P. BOLTON].

Mrs. FRANCES P. BOLTON. Mr. Chairman, I am always very reluctant to differ with a committee, even in reference to small, perhaps immaterial, things that they bring to us on the floor of the House. I can understand quite well that sometimes matters get to such a stage that the only way to insure change is to really cut until it hurts. We Republicans had to do that in the 80th Congress. We have had to do that many times since. No one in this House, I think, is more eager to see really economical methods used in every department of the Government than we women, who are particularly keen on the details of meticulous economy. We have to do that in our homes and we are very happy to play a part in the house-keeping of the Government.

Mr. Chairman, I am deeply interested in the arguments that have been made because I am very reluctant to see the committee make cuts in the wrong places thereby really depriving the membership of both Houses of Congress of the kind of material for which this Library was organized. Of course, it was initiated primarily for the use of the Congress; but it has become also a source of helpfulness, very important helpfulness, to all libraries in the country.

It will be remembered that President Theodore Roosevelt, in his message to Congress in 1901, declared that "this Library has a unique opportunity to render to the libraries of this country—to American scholarship—services of the highest importance." This great President said—half a century ago—that planned expansion in its services will "enable it to become, not merely a center of research, but the chief factor in great cooperative efforts for the diffusion of knowledge and the advancement of learning."

Mr. Chairman, I am particularly troubled over the fact that these cuts in appropriations will cut down such things as the cataloging in the Library of Congress. I would like to call the attention of the membership, especially the membership of this committee, that the cataloging activities in the Library of Congress are exceedingly important. If books cannot be cataloged, they cannot be put on the shelves. There are many things coming into that Library that have a continuing effect upon our knowledge of the countries with whom we are contending throughout the world. I might take, as an example, China. We have the greatest collection in the world of up-to-date information on China. I should be very regretful if on the first day of July we could no longer add to the China collection. The Library of Congress is important to our Army, our Navy, and our Air Force. I hope my colleagues will consider such matters.

I am also very much concerned because the Librarian, whose appointment is now awaiting the approval of the Senate, comes from my district. He is the head of the Cleveland library and has done perfectly magnificent work there in economy and in effective library administration. I should be reluctant to

have him come in to such a reduced force that he could not function. I would ask that most careful consideration be given to all these points by the membership.

Mr. KIRWAN. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, I am not a regular member of this subcommittee but have been serving during this session for one of the members who was unable to be present. I probably do not use the Library as much as I should. But, I certainly have found no reason for criticism of the service that they have rendered my office. I have found them always prompt, efficient, and able to furnish the information that I seek.

Mr. Chairman, unquestionably the Library of Congress has departed from its original concept. The Congress established the Library originally so that they might have available a few reference books from which they could obtain information necessary to help them in their deliberations. But, after the Library of Congress was set up, the people of the United States and the Congress of the United States realized that it could exert a great influence on the scholarship of this country and render a far greater service if its activities were extended. Consequently, throughout the years, by various statutes, we have increased these activities.

The question we face today, Mr. Chairman, is how far are we going to extend those activities? The Library is engaged primarily in rendering service. We are going to get just the service that we pay for.

Let us take the Legislative Reference Service. Evidently that Service is rendering a very satisfactory service to the Members of Congress, because requests for information have increased 32 percent. They asked for an additional appropriation to take care of the 32 percent increase. In view of the tremendous expenditures we have to make today and in view of our fiscal situation, we have to make appropriations in the light of the conditions that we face. But, let us not deceive ourselves into thinking that we are improving the service of the Library of Congress by cutting this appropriation. There will probably be times when we will be delayed in this House in getting information that we want if we approve this appropriation, but it is possible that it is not necessary for us to have the information as quickly as the Library of Congress might want to give it to us. As I see it, we are faced here with a practical problem. We have got to measure the needs of the Library of Congress with the ability of the Government at this time to appropriate.

Frankly, I am sorry that it has been necessary to cut some of these appropriations. I think it is unfortunate. I do not believe we are going to get as good service. The Library of Congress, and certainly the Legislative Reference Service may have gone afield at times in drafting bills. I believe that bills for the Congress should be drafted by the legislative drafting service. But I doubt that

the elimination of that activity is going to save any great amount of time or money.

But I do say this, Mr. Chairman: Through the years we have passed various laws extending the services of the Library and we now have a hodge-podge of legislation pertaining to it. Our report recommends, and I think properly so, that one of the first duties of the new Librarian should be to codify the laws relating to the Library of Congress so that the legislative committee may review those laws, clearly define the activities of the Library, in a new, codified law, so that by reference to one statute we can determine exactly what are the proper activities of the Library of Congress. I think that is a step in the right direction and I hope it will be done.

Mr. KIRWAN. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. HOWELL].

Mr. HOWELL. Mr. Chairman, I yield to the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. I think the gentleman for yielding to me so that I may ask the gentleman from Ohio a question. The statement was made a few moments ago that Members of Congress sometimes have to be put on waiting lists for books and other services from the Library of Congress because they are being used by the downtown agencies. The Chief of the Loan Division has told me that their policy is always to give Members of Congress first call. If that is not their policy, it ought to be their policy, and should be established as such in this debate. Their primary function is to serve the Congress and Members of Congress.

Mr. KIRWAN. Mr. Chairman, if the gentleman will permit me, I can say that that is so out of my own experience. I was told by the Library of Congress that I was eighth or ninth on a list for a certain book. The book was downtown being used by people ahead of me on that list. The general counsel over there went out and bought the book out of his own pocket and delivered it to me.

Mr. ALBERT. I think the legislative committee ought to straighten them out on that matter.

Mr. KIRWAN. That is what we are trying to do in this bill.

Mr. HOWELL. Mr. Chairman, the Library of Congress is the greatest institution of its kind in the world. I think most Members of Congress are deeply proud that this institution, which is part of Congress, is so unique and outstanding. We should be proud of it.

Yet in this appropriation bill, we are being asked to punish the Library of Congress—punish it for doing such a remarkable job. Because it has done so well in assembling and making available to Congress, to the Government, to libraries throughout the Nation and abroad, and to the general public the greatest collection of fact and information in the world, we are asked to slash its appropriation by 13 percent below the budget requests.

What other conclusion can we reach from the actions of the Committee on Appropriations and from the report it

filed with us criticizing and condemning the Library not for failing to give outstanding service under severe handicaps but rather for giving too much service?

The committee has scaled down the Library's requests from \$10,209,883 to \$8,915,000. This is a cut of \$1,294,883—more than a million and a quarter. It is more than half a million dollars below the \$9,459,293 appropriated for the current year. The hearings are filled with illustrations of the Library's difficulties in operation under the present appropriation. The hearings show how the Library's expenses will increase in the coming year even if there is no added personnel—the expenses of mailing which it now must bear; the in-grade pay increases required by law, and so on.

I have tremendous sympathy for the members of the Appropriations Committee in trying to cut expenditures of the Federal Government and still provide adequate sums for essential services. It is one of the most hardworking and most conscientious committees of the whole Congress. It faces a monumental task.

But it seems to me, Mr. Chairman, that when it got around to the Library of Congress, the committee's accumulated frustrations in trying to find places to cut extravagance and waste out of the Federal operations seemed to have exploded into a general field day of criticizing the Library for working so hard at its tasks.

We find constant references in the hearings to wart cures and limericks. One might get the impression that these references involved Library activities. What happened, apparently, was that one of the Library's specialists in American folklore appeared on a radio program and mentioned some of the oddities of legend and fact and information in the Library's extensive collections.

So now the Library is punished by a budget cut of more than a million and a quarter dollars, on the grounds that it is wasting time and money with non-essentials.

Mr. Chairman, who among us is wise enough to set himself up as a judge of the usefulness of all of the vast information in the Library's possession? Do we fear scholarship and research? Are we afraid of what is in books?

Of course not. But as Members of Congress we are acutely aware of the need for careful expenditure of Federal funds. We do not want to appropriate money for pamphlets on wart cures.

At the same time, however, I do not think we want to slash the effectiveness of the greatest library in the world. And that is what this reduced appropriation would do.

Throughout the hearings, the Library officials reported on the difficulties of finding enough time and personnel to catalogue and make useful the tremendous amount of new material coming into the library all the time. What good is amassing the information if it cannot be found and used?

But instead of permitting a modest increase in the Library's funds to help

its hardworking personnel to catch up with the flood of work, we are now asked to cut it further. We are asked to cut the Library's general funds by half a million dollars on the grounds that it does a lot of work for the general public rather than just for Congress. Mr. Chairman, there is no better way for a library to serve Congress than to help get facts to the public—not propaganda, but the facts. An informed public is the best help there is to a conscientious Congress. And this Library is the greatest source of fact and objective information in the world. Instead of regretting that the public uses it extensively, we should rejoice in that.

We are asked to cut the Copyright Office by \$153,000. Yet all the evidence shows that nearly every cent appropriated for the operation of the Copyright Office comes back to the Treasury with a profit besides.

The same with the operation of the card catalogue distribution system. We are cutting that \$358,000, yet here again appropriations do not necessarily mean expenditures by the Federal Government. The libraries throughout the country pay back nearly every cent we appropriate for this essential service.

When we come to the item of the Legislative Reference Service of the Library, showing a cut of \$143,837 rather than the increase in funds the Service needs to continue giving Congress unmatched service, the reduction is even more incomprehensible. I cannot understand how we would want to cut off our own noses as this bill proposes—reduce the service available to the Congress in getting at the facts of the complex legislation we have to consider.

At the appropriate time when the bill is open to amendment, Mr. Chairman, I intend to submit an amendment to restore the full budget amount to the Legislative Reference Service. I shall discuss the reasons in detail at that time.

My purpose in rising now is twofold: to notify the committee of my intention to amend the appropriation for the Legislative Reference Service, and also to obtain from the committee members, if possible, a much better explanation than that given us in the report for the heavy-handed slashing of the whole Library appropriation.

This Library is a credit to Congress in every possible way. We are being asked to punish it for being so outstanding. To me, that is incredible.

Mr. Chairman, as part of my remarks, as exhibits A and B, I submit two informed comments on this matter, one an article from yesterday morning's Washington Post and Times Herald by Columnist Malvina Lindsay entitled "Warts Spur Solons to Corner Culture," and the other an editorial from last night's Washington Evening Star entitled "Nation's Library or the Congress?"

The articles follow:

[From the Washington Post and Times-Herald of May 24, 1954]

WARTS SPUR SOLONS TO CORNER CULTURE
(By Malvina Lindsay)

If the public did not have so much interest in legendary wart cures, things might be

going better financially today for the Library of Congress. The wart situation has played into the hands of congressional paymasters much as did the long ago disclosure by the Department of Agriculture, via a bulletin, that sex had reared its ugly head among the vegetables.

The Library's operating fund has been cut by the House Committee on Appropriations to \$8,915,000, which is approximately half a million dollars below that of last year, and more than \$1 million below budget estimates. This is expected to go to a House vote tomorrow.

The subcommittee which held the hearings on this bill says this reduction is because of its feeling that the Library has gone far beyond the function for which it was created. It emphasizes that the institution is the instrument and creature of Congress, designed primarily to serve the needs of that body. Too much is being done for the public—the committee seems to think—despite a century and a half trend of legislation to expand the services of the Library and make it a wellspring of national scholarship and culture.

The villain in all this has been the wart. It has provided the usual petty, concrete, and misinterpreted example of bureaucratic extravagance. Moreover, it has a fellow conspirator, the tongue twister.

Both warts and tongue twisters (such as "Sheep shouldn't sleep in a shack") figure strongly in American folklore. Hence they were discussed in a broadcast on this subject by the Library's folklore archivist, Dr. Duncan Emrich. Many listeners sent in material on warts and limericks. Some of this was printed in the Library Information Bulletin—probably at a cost of \$25.

In Appropriations Subcommittee hearings some congressional questioners kept returning to the warts and the limericks. They interpreted the incident to mean the Library was furnishing information to the public on how to cure warts. "We are a serious people here in this Congress," declared one legislator, "and we are not interested in how to cure warts by the dark of the moon."

In fact some members of the subcommittee seemed to take a dim view generally of the Library's folklore activities, even though this section was established in 1928 as the Archive of American Folksong, with private contributions, including one from such a hardheaded financier as Andrew Mellon.

Through private grants and contributions this section has done much to preserve American folksongs, traditions, customs, local history, and recollections obtained for regional pioneers. It has incidentally furnished much material to members of Congress for radio broadcasts and speeches.

Underlying much of the testimony at the hearing was which way the Library is headed in the future. Some members of the subcommittee repeatedly stressed that the privileges extended to the public since 1800, when the institution was established, had been by courtesy of Congress. Yet each of this succession of courtesies was a legislative act. Scores were passed during the 19th century, and in 1902 the services of the Library were extended to "all qualified investigators in the States and the District of Columbia."

Expanding functions of the Library have included the handling of copyrights and a card distribution system (both of which pay their own way) the acquisition of collections of manuscripts, music, prints, a legislative reference service for Congress, the provision of books for the blind—a service added in 1952.

The Library's collection of historic papers now numbers 4 million. Scientists and scholars come by the tens of thousands from all parts of the country to study these and do other research.

Economies in recent years have curtailed many of the Library's activities. The micro-filing of newspapers, which provide history in the raw, is only done now through private contribution. The reading room provides no books from the stacks after 6 o'clock. Only 40 percent of mail requests for information are answered.

No one can dispute that the Library's first function is to serve Congress. What is most disturbing is the narrow legislative attitude shown toward its functions and its growth. Unless it expands and widens its service, it will be an increasingly feeble fountainhead of American scholarship.

[From the Washington Evening Star of May 24, 1954]

NATION'S LIBRARY OR THE CONGRESS?

Friends of the Library of Congress may have been puzzled by the report that funds for its maintenance and operation are to be cut drastically because it "has gone far beyond the functions for which it was originally created." A subcommittee of the Committee on Appropriations, House of Representatives, has recommended an appropriation of \$8,915,000 for fiscal 1955, a slash of \$1,294,883. This reduction might be serious in itself, especially when it is taken into account that the Congress coincidentally is asking increased service of the Library. But its implications may be even more deplorable.

One of them is that the world's greatest bibliographic establishment should be specifically "an arm of the Congress" and that it should "limit its service to others to that which can be furnished with the funds and staff available." This interpretation of the Library's purpose and function admittedly does have historic precedent. The Library was a congressional property and a congressional activity when John Randolph sponsored it in 1801. It still was primarily the Library of Congress in 1815 when Thomas Jefferson's collection of 6,700 volumes was purchased and in 1867 when Peter Force's Americana—60,000 books, pamphlets, and manuscripts—were purchased.

But it also gradually became the library of the whole United States. This was indicated when it absorbed the Smithsonian Institution's bibliographic material in 1866, when the privilege of using the books in the Library was extended to the Attorney General and the members of the diplomatic corps "on the same terms and conditions as it is enjoyed by the judges of the Supreme Court" in 1816 and when its "literary and scientific collections" were opened to "scientific investigators and . . . duly qualified individuals, students, and graduates of any institution of learning in the several States and Territories and the District of Columbia" in 1902. It was even more definitely shown when the Library was made responsible for the Copyright Office in 1870.

Of course, the Library never ceased to be a particular convenience to the Congress. What happened was that specifically, by congressional authority, the Library expanded its services wherever and whenever a genuine natural demand for them developed. If the Library now "has gone far beyond the functions for which it was originally created," it has done so in response to legitimate requirements and with full congressional approval. A change of policy may be needed. That is conceivable, but if the operations of the Library are to be restricted or curtailed, it should be remembered that millions of dollars' worth of private contributions inevitably would cease being offered. The Library has been and is the people's library in terms of gifts of incalculable value given because it was the whole Nation's bibliographic depository.

Mr. HOWELL. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

The Speaker's table

For the Speaker's table, including \$2,000 for preparing Digest of the Rules, \$43,885.

Mr. HORAN. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. HORAN: On page 2, line 18, strike out "The Speaker's table" and insert "Office of the Parliamentarian"; and on page 2, line 19, strike out "For the Speaker's table" and insert in lieu thereof "For the Office of the Parliamentarian."

Mr. HORAN. Mr. Chairman, this is merely an amendment to improve the wording of the bill.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

LIBRARY OF CONGRESS

Salaries and expenses: For necessary expenses of the Library of Congress not otherwise provided for, including compensation of the Librarian Emeritus, as authorized by law; development and maintenance of the Union Catalogs; custody, care, and maintenance of the Library buildings; special clothing; and expenses of the Library of Congress Trust Fund Board not properly chargeable to the income of any trust fund held by the Board; \$4,500,000.

Mr. McCARTHY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCARTHY: On page 18, line 3, after the semicolon, strike out "\$4,500,000" and insert in lieu thereof "\$4,750,000."

Mr. McCARTHY. Mr. Chairman, this amendment would restore \$250,000, bringing the total amount for salaries and expenses to \$4,750,000 instead of \$4,500,000, as is recommended in the committee bill. This will still leave an amount of approximately \$60,000 less than was appropriated in 1954, and over \$250,000 less than was estimated for 1955.

It is my opinion that the service of the Library should not be arbitrarily curtailed, as is recommended here today. I know it is an easy matter to go through a library as large as the Library of Congress and note that there are many books which are not being read; note that there are many cubicles which are not in use, and judge on the basis of these facts that the Library is not operating efficiently. We should realize that the Library does not operate in the same way as a business does; we must consider the quality of the production rather than the volume of use or quantity of production. During much of the time the facilities of the Library will not all be

in use. Scholars will leave their books in the cubicles for a week or two or longer before they can come back to examine and study the material which they have arranged. Obviously, not all of the books will be in use, and the high turnover of all books in the Library will be low. But we should take an intensive and long-range view of the operation of the Library, and for that reason we should restore at least a part of the funds which have been cut from the estimates and from what was appropriated last year.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. McCARTHY. I yield.

Mrs. CHURCH. I share the gentleman's concern about the reduced appropriation for the Library of Congress. I would like to ask if in recommending this overall increase the gentleman would attempt to designate whether it should be spent in specific categories?

Mr. McCARTHY. This is for "Salaries and expenses," for the general operation of the Library. I do have amendments which have reference to the Legislative Reference Service and also to the card catalog service.

Mrs. CHURCH. What would be the total amount provided by the gentleman's suggested amendments?

Mr. McCARTHY. In this particular case the amount is \$250,000. In line 11 I propose to offer an amendment to increase the appropriation for Legislative Reference by \$50,000; and in line 22, for the card catalog service, about \$50,000, or a total of \$350,000.

Mrs. CHURCH. I thank the gentleman. Could he tell me quickly what the total would be in comparison to the amount recommended by the Budget Bureau?

Mr. McCARTHY. It would be less than the estimates for 1955. I assume that is the recommendation of the Bureau of the Budget. In the case of salaries and expenses, the estimates for 1955 are \$5,084,000. My recommendation is for \$4,750,000. So it is approximately \$300,000 less than is recommended by the Bureau of the Budget. In each of the other instances the amount I propose is less than was estimated by the Bureau of the Budget.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. BOW. Mr. Chairman, I rise in opposition to the amendment, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. BOW. Mr. Chairman, I rise in opposition to the amendment. I should like to preface what I have to say by saying that the entire subcommittee recognizes the importance of the Library of Congress and the excellent work that it does, not only for the Congress but for the Nation.

Addressing myself specifically to the amendment offered by the gentleman from Minnesota [Mr. McCARTHY], may I

say that under "Salaries and expenses," to which this amendment refers, the expenses this year through April amounted to \$3,713,372. Projected through May and June, \$742,646, or a total of \$4,456,046 which will be used this year. So I submit that the amount that has been recommended in the bill by the committee is more than the amount which they will actually spend during the present fiscal year.

The gentleman has said that the Library does not operate as businesses do. With that I agree. I think it is about time we began to operate the Library as a business, in many instances. We have a new Librarian coming in to take over. He has not yet been confirmed. He is Librarian-Designate Mumford, from Cleveland, Ohio, who has an excellent reputation in the operation of the library there in an economic and efficient manner.

I think this bill gives him an opportunity to come in and set the Library up on a proper basis, reduce personnel where reductions are needed. I will say to you that on the question of catalogs and some of the other items that if it becomes necessary to have them—I can speak for one member of the committee and I think others would agree with me—supplementals will take care of the additional needs; I will request them. But it is important to give this new Librarian an opportunity to come in and put his house in order and to do the kind of job we expect of him.

So far as the cubicles are concerned, to which the gentleman has stated that have been occupied in some instances for several weeks by the same person, I point out to the gentleman that it is not a question of a few weeks for the cubicles, but some have been occupied by the same people since 1938. You have people now occupying cubicles in the Library of Congress who have their private telephone lines put in; and I agree with the gentleman from Ohio, my friend from Ohio [Mr. KIRWAN], that about the only thing we lack over there now is baths in the facilities we are furnishing. This is another matter that certainly can be carefully considered and I think it will save money for the people.

The folklore question and the limericks and the warts, and so forth have been discussed; I am not going to go into them; but I should like to point out one reason why your committee feels that economies can be effected in the Library, and as one example I will use the guard force.

They have more guards at the Library of Congress than we have on all of Capitol Hill. They have a captain, 3 senior lieutenants, 6 junior lieutenants, 10 sergeants, and the rest of the force is made up of guards. It was interesting in the hearings when we made some inquiry about the functions of those guards and the number of chiefs they had—without too many Indians. We asked: "What do these sergeants do over there, these 10 sergeants?" We were told that the sergeants make up the reports which they file and also make some assignments.

Then we asked: "What do these six lieutenants do?"

The lieutenants make sure that the sergeants make out their reports and file them and that the assignments made by the sergeants are carried out.

We believe that there are many other instances where cuts of that kind can be made cutting this budget down so that when Mr. Mumford comes in we just not give him a blanket sum and the suggestion that this or that could be cut down if it becomes necessary, but give him a definite appropriation to carry out certain functions. This will give him the opportunity to bring some order out of the chaos that has existed for some time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was rejected.

The Clerk read as follows:

Legislative reference service

Salaries and expenses: For expenses necessary to carry out the provisions of section 203 of the Legislative Reorganization Act of 1946 (2 U. S. C. 166), \$850,000: *Provided*, That no part of this appropriation may be used to pay any salary or expense in connection with any publication, or preparation of material therefor (except the Digest of Public General Bills), to be issued by the Library of Congress unless such publication has obtained prior approval of either the Committee on House Administration or the Senate Committee on Rules and Administration.

Mr. HOWELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOWELL: Page 18, line 11, strike out "\$850,000" and insert "\$993,837."

Mr. HOWELL. Mr. Chairman, I announced earlier that at this point in the bill, I would submit an amendment to provide the full budget amount of \$993,837 to the Legislative Reference Service of the Library of Congress, restoring the \$143,837 cut out by the Appropriations Committee.

I said earlier the reduction was incredible. It is just that.

The Legislative Reference Service is the expert staff of Congress itself. It was set up in the LaFollette-Monroney Act, the Legislative Reorganization Act of 1946, as a means of providing Congress with the kind of top-flight expert staff help we sorely need if we are to act intelligently on the terribly complex legislative issues which come before us.

It constitutes the one place we can go for information and analysis knowing that what we will get will be the best and most objective factual information available on the subject. Before this service was established, most members had to rely almost entirely on the self-serving "facts" submitted to Congress by lobbies and special interest groups, or by the agencies of the Federal Government with vested interests in certain legislation.

Certainly we are not looking wistfully back on those days. Certainly we are anxious to continue getting prompt and effective help from topflight research specialists who have the answers to our

most complex inquiries on legislation or know where to go to get it.

The Congressional Reorganization Act expressly provided that the Legislative Reference Service should be staffed with top experts in every field in which the Congress has standing legislative committees. It has never quite reached that level of staffing in number of experts employed—many fields provided for in the original act are not yet covered by additions to the Legislative Reference Service staff. But there is no doubt that the people who are employed as experts are outstanding in their fields. The committees of Congress regularly call upon them for assistance in drafting legislation of the most far-reaching importance. As individuals, we all make demands on these people. And the resulting service is outstanding.

Now what is the nub of the committee's complaint against the Service? It is that the Library employs in most of these top positions as senior specialists career people who work at this job all year round—yet Congress is not in session the whole year. We are told the Legislative Reference Service should hire fewer careerists and instead hire more temporary people for temporary duty while Congress is in session, and assign its career people to temporary duty during recesses to routine jobs elsewhere in the Library.

Let us consider a moment the implications of this suggested policy. Instead of top experts who make a career of serving Congress with the most informed knowledge available in their specialties, we will have a parade of temporary people taking these January-to-July jobs for experience, because they could not get lined up with a college in time for the February semester, or are otherwise unemployed. We will get good people that way only by chance and accident. The top people will go elsewhere, where they can find year-around employment and continuing tenure.

Is that the way to serve the interests of the Congress and the public? I think not.

As for assigning the career people in the Legislative Reference Service to temporary duty in other parts of the Library while Congress is out of session, the hearings show that Dr. Ernest Griffith, the Director of the Service, and a man in whom all of us have great confidence, has found the workload in his division so great even while Congress is out of session that he has not been able to spare these people. Congress—in session or out—is always churning up work for the Service; the committees are particularly demanding on Dr. Griffith's people for research.

Furthermore, I know for a fact that, in an effort to cut expenses in the Service, Dr. Griffith has encouraged his top people to take temporary outside employment in the colleges or elsewhere for short periods to reduce the payroll in the slack season. But the fact is that the season is never really slack—it is only a question of stretching appropriations enough to meet the needs.

Mr. Chairman, a vote for my amendment is not only a vote of confidence in the outstanding work done for us year in and year out by the Legislative Reference Service; it is a vote to maintain the effectiveness of the congressional process; it is a vote to make sure that Congress can continue to legislate in an informed manner rather than on the basis of doctored data supplied by pressure groups with big fish to fry at the public's expense.

Let us not cripple our good right arm in order to show some false savings in the budget. It will cost the Government dearly, Mr. Chairman, if Congress cannot quickly and effectively get informed facts and assistance from top career research people in our own Reference Service.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. HOWELL. I yield to the gentleman from Oklahoma.

Mr. ALBERT. The gentleman realizes, I know, that the Legislative Reference Service furnishes staff assistants to committees of Congress. The Committee on Agriculture has used the service of an expert; therefore, the committee does not need to hire a man of that caliber at full time.

Mr. HOWELL. That is right.

Mr. ALBERT. By using these men in the service with the committees, both in the House and in the other body, we are effecting economies in staffing our own committees with those experts. I wonder if the committee has taken that into account?

Mr. HOWELL. What the gentleman says is absolutely true and I tried to point that up briefly in speaking on my amendment. In my opinion, it is sensible to have people who are career individuals all year round available to Members of Congress and available to committees. I hope my amendment will be adopted.

Mr. COON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New Jersey [Mr. HOWELL].

Mr. Chairman, the Committee on Appropriations recommended for the Legislative Reference Service of the Library of Congress for the 1955 fiscal year a budget of \$850,000. This is a reduction over the 1954 budget of \$51,721 and a further reduction from the amount requested of \$93,837. The Legislative Reference Service has increased in the last 10 years from \$178,000 to last year's budget of \$901,721, and within this 10-year period only once has their budget been reduced, and that was in 1948 and by the amount of \$25,000.

The Legislative Reference Service has had a constant increase in the number of requests from the Members of Congress and it is realized that the congressional Members need prompt service from the Legislative Reference; however, as I just pointed out, their budget has increased over 500 percent in this 10-year period.

I would like to call to your attention the following from the committee's report on page 4, regarding some of the

findings and practices of the Legislative Reference Service, which says:

The committee is disturbed to find that the Legislative Reference Service is engaging in legislative drafting work, normally considered to be the function of the legislative counsel. Additional funds have been provided in this bill to enable the Office of the Legislative Counsel to more adequately meet the demands for this type of service. Accordingly, the furnishing of such assistance by the Legislative Reference Service should be discontinued.

The committee is not satisfied with the manner in which the Legislative Reference Service is using its regular employees, particularly when Congress is not in session. Despite a thorough discussion of this problem during the hearings on the 1954 appropriation bill, it appears that little has been done to reassign the employees of this Service during slack periods to assist in handling workload in other parts of the Library. The committee insists that further efforts be made along this line during the coming year. It is also of the opinion that many of the contracts with other Government departments could be so arranged that the workload involved could be met during the off-season. This would have the dual benefit of making the full regular staff available to Congress while it is in session and of providing worthwhile employment for the personnel of this Service during the period when congressional workload is light.

Further, Mr. Verner W. Clapp, Acting Librarian of the Library of Congress, indicates on page 292 of the hearings that the Legislative Reference Service depends upon the Reference Department not only for them to produce the books which it needs, but also in many cases to produce the expert services which it needs. This indicates that the Legislative Reference Service has available to it, or can use, assistance and services from other departments of the Library.

I would like to mention, at this point, that nearly all of the agencies under the executive branch of the Government have been reduced in either last year's budget or this year's budget, but the Library of Congress continues to request increases in appropriations for its operation. Most of the budget estimates presented to the Appropriations Committee this year followed this pattern but it appears that the Library of Congress annually seeks an expanding budget.

The committee feels that the Library of Congress should cooperate with the administration in reducing expenses instead of increasing expenses.

The committee feels that the \$850,000 allowed to the Legislative Reference Service can adequately take care of the duties and responsibilities of this particular Service of the Library of Congress and if properly administered the Legislative Reference can continue to give efficient and prompt service to the Members of Congress as they have done in the past years.

Mr. Chairman, they told us that they have obligated through May \$695,021. So, if projected on out, that would leave for May and June, at the same rate, \$139,004. This will total to \$834,025, which will show that this year, perhaps, they are not even going to spend \$850,000 that we put in the bill.

Mr. Chairman, I hope this amendment will be defeated.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. COON. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Did I understand the gentleman rightly when he said that this particular item was increased 500 percent in the last 10 years?

Mr. COON. Yes, sir.

Mr. H. CARL ANDERSEN. Is it not also a fact that the amendment offered by the gentleman from New Jersey would increase the amount above this year's allotment to the extent of about \$92,000?

Mr. COON. That is right.

Mr. HOWELL. Mr. Chairman, will the gentleman yield?

Mr. COON. I yield to the gentleman from New Jersey.

Mr. HOWELL. I think that is explainable by reason of the fact that there were a lot of in-grade pay increases and also the cost of penalty mail, which they have not been paying before.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. COON. I yield to the gentleman from New York.

Mr. TABER. Is it not a fact that if they spend at the same rate they have spent in the first 10 months, that they will spend less than the current appropriation that we are carrying in this bill by \$18,000 or \$20,000?

Mr. COON. That is correct. If they spend at the current rate of expenditure, they will not spend the \$350,000 recommended in this bill.

Mr. LECOMPTE. Mr. Chairman, I rise in support of this amendment.

Mr. Chairman, I have no disposition to quarrel with a committee that is trying to economize. I am in favor of that. But I think there is a false impression here about the work of the Legislative Reference Service. Actually, the staff of the Legislative Reference Service in 1950 was 151. That is what it is now. The workload has gone up 32 percent. If we want service from the Legislative Reference Service, I think we have got to give them adequate help. The gentleman from New Jersey [Mr. HOWELL] has offered an amendment that will provide about 20 additional places on a part-time basis. I will say to the gentleman from New Jersey [Mr. HOWELL] that I will vote for his amendment, but I would have been satisfied to restore the amount that the Service had last year.

Mr. COON. Mr. Chairman, will the gentleman yield?

Mr. LECOMPTE. I yield.

Mr. COON. During the period from 1950 their appropriation went up from \$716,000 to \$901,000.

Mr. LECOMPTE. Congress raised salaries right and left, that is true. Certain grades call for certain salaries. But the number of employees in the Reference Service has not gone up. This is the department that does research work for Members of Congress.

Mr. COON. The number of permanent employees has not, but the number of temporary employees has.

Mr. LECOMPTE. The total number is 151 at the present moment. That is the same as it was 4 years ago. The amendment of the gentleman from New Jersey [Mr. HOWELL] is for 20 additional employees only. And those 20 are to work only 8 months and to be taken off when Congress adjourns.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. LECOMPTE. I yield.

Mr. HORAN. It is 23 new positions. I might add that the gentleman's amendment also would cover an unjustified item for a State law index of \$34,000. And the within-grade promotion amount that is included in that increase can be absorbed out of money that they will not spend this year.

Mr. LECOMPTE. The number of requests for information from Members of Congress has gone up 32 percent. What are we going to do with that? Do we not propose to serve those requests? That is the question before the House. It is all right with me if it is felt that adequate service can be obtained, but I think the most important thing is the matter of information for Members of Congress on pending legislation. I have wondered sometimes if some of the requests made to the staff actually bears directly on pending legislation, but Members of Congress have the right to seek information from the Library of Congress, and if there is not an adequate staff there, I fail to see how we are going to get that information.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. LECOMPTE. I yield.

Mr. JAVITS. I should think that the people of the country want us to do a working job. I know that the gentleman from Iowa [Mr. LECOMPTE] works very hard. So do I, and so do other Members of Congress. How can we do that without the proper tools? We cannot do our own research.

Mr. LECOMPTE. The gentleman could not go over there himself and do research work and neglect other duties.

Mr. JAVITS. I find the Library absolutely indispensable. I think if there is any justification at all for keeping our staffs small—and we certainly keep them small—it is that we are going to help the Library to do a bigger and bigger job. Our responsibilities are growing, not contracting. They are growing more complex. I strongly support the gentleman and hope the House will approve his amendment.

Mr. LECOMPTE. Personally, I think the Legislative Reference Service is the most important part of the Library, because that is the part of the Library that serves the individual Members of Congress and the committees of Congress and without it the Congress could not proceed efficiently and intelligently. That is the way I view the situation.

Mr. KIRWAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I agree with the gentleman from Oregon [Mr. COON]. I do not know of any agency in the Government of the United States that has had

its appropriation increased 500 percent in the past 10 years except during the war. The Congress has cut appropriations for every agency. We cut appropriations for cancer research. We cut appropriations for research into heart disease, rheumatic fever, and so on. Every item has been cut.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. ALBERT. Is it a question of how much the appropriation has been increased or whether we are getting our money's worth?

Mr. KIRWAN. That is not the question. Every gentleman who has gone down into the well of the House has spoken about books. I say it is not a question of books. There are enough employees over there that have another library five times as large to do the work, if it is only books that you are talking about. They have more in the Library than they have in the Smithsonian. There is everything in it but books. What they should do is to take the employees they have and work them.

Mr. ALBERT. The gentleman's only objection up to now has been that there has been a 500-percent increase.

Mr. KIRWAN. I do say that is wrong in that one agency.

Mr. ALBERT. I have been told by representatives of the Legislative Reference Service that the money appropriated for this year will all be used before the end of the fiscal year.

Mr. KIRWAN. We are told about the increase in cancer and heart disease, things that are more essential. I am not referring to books, I am referring to all the gadgets they have over in the Library. Books are probably the finest things on earth, or one of them. I am referring to the amount of money we are spending on the Congressional Library for everything that is not books. So as the gentleman from Ohio [Mr. Bow] pointed out, if the new head of the Library takes half the employees of the Library and puts them to serving Congress, we will have a great job done for us.

Mr. ALBERT. What good are all the books over there if we do not have the facilities with which to find them and use them?

Mr. KIRWAN. We have enough over there to find the books if they stick to books, but if things continue as they are, they take every new invention and put it in the Library. They come in with 22 new employees for every invention that comes up. Such things do not belong over there. Let them stay with books.

Mr. McCARTHY. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman from Minnesota.

Mr. McCARTHY. What are some of these new things they have?

Mr. KIRWAN. I have seen them with my own eyes. If the gentleman will take a trip through the Library he will be well rewarded.

Mr. McCARTHY. Does the gentleman refer to tape recording and film recording and things of that kind?

Mr. KIRWAN. They have about everything. I have told you, not to be humorous, that there is everything but a bath and a furnished room provided in the Library. If the gentleman will take a walk over there he will be startled.

Mr. McCARTHY. I do not think I will be startled, but the gentleman is talking about gadgets?

Mr. KIRWAN. I am talking about the different things over there.

Mr. McCARTHY. What are some of those things?

Mr. KIRWAN. I am telling the gentleman to take a walk through the Library.

Mr. McCARTHY. The gentleman says there is not a bathroom?

Mr. KIRWAN. That is one thing that is not there.

Mr. McCARTHY. What is there?

Mr. KIRWAN. The furnished rooms with the private phones in them. You do not know whether lobbyists or who are using them.

Mr. McCARTHY. I think maybe if a lobbyist is a citizen of our country he has a right to use them.

Mr. KIRWAN. If he is a citizen of the country, yes, but you do not know who it is. We are trying to fix it, as the gentleman from Ohio [Mr. Bow] said, so that when the new man comes in at the head of the Library, if there is not enough money we can give it to him. We gave them 40 employees in 1949, and the Congress has given them more since then. Now they are in here asking for 20 more, with a change of administration coming up. Every time you turn around they want more employees.

Mr. HOWELL. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman from New Jersey.

Mr. HOWELL. I do not believe the gentleman would state that it is in the Legislative Reference Service they have these gadgets or whatever the gentleman is talking about.

Mr. KIRWAN. If they cut half of them out we could give the Legislative Reference Service many more employees than they have.

Mr. HOWELL. If there is something wrong, it is in some other service.

Mr. KIRWAN. As the gentleman from Ohio [Mr. Bow] said, when the new man comes in this will give him an opportunity to do that. What we are talking about is that we have provided enough money. They are not going to spend all the money they have. They are hollering that they have an increase of 32 percent in requests. They are not even going to spend the money we gave them this year.

Mr. HOWELL. They will spend the money, and they also have extra expenses, such as salary increases.

Mr. KIRWAN. They will still have money left over.

CONGRESS GETS OUTSTANDING SERVICE FROM LIBRARY OF CONGRESS AND LEGISLATIVE REFERENCE

Mr. SULLIVAN. Mr. Chairman, the gentleman from New Jersey [Mr. HOWELL] has presented a convincing argument for the restoration of the full

budget amount to the Legislative Reference Service of the Library of Congress.

As a new Member of Congress, but as one who has worked for many years in a congressional office, I can personally endorse his high praise of the Legislative Reference Service. It gives Congress outstanding assistance in innumerable ways.

I think if the Members here were to canvass their own staff people—the hard-working assistants in our own offices—we would get rave reports on the Legislative Reference Service. I know from personal experience how often I turned to them for help on inquiries which came in to the office. The help was always on hand and it was always good help.

I do not mean to imply that the Members do not know what goes on in their own offices when I say, however, that their clerks are able to handle innumerable problems which come up involving legislative inquiries and so on without bothering the Congressman himself until the time comes for him to use this information. I am sure many members are often amazed at how quickly their staffs get this information.

The answer—or a good part of the answer—lies in the existence of the Legislative Reference Service and in the caliber of people who staff it. I learned that as a congressional staff aide, and I have relearned it throughout this term. I have called upon them often for help, and it was always forthcoming. And it was informed and reliable and accurate.

The report of the Appropriations Committee declares that the Legislative Reference Service has been engaging in legislative drafting work normally considered the function of the Legislative Counsel. I looked up the hearings on this issue and discovered that the bill drafting work done in the Reference Service has been in cooperation with—not in competition with—the Legislative Counsel.

I would be extremely disappointed if the language of the report could be held to prohibit the kind of legislative drafting I recently asked the Legislative Reference Service to perform for me. It was in connection with my bill to establish a food-stamp plan for the distribution of surplus foods to needy families. My bill was drafted originally in the Office of the Legislative Counsel along lines I requested. Later, I received inquiries from social and philanthropic groups questioning whether certain provisions might be construed to cut off some present methods of distributing this food to worthy recipients, a consequence I had not anticipated.

At my request, the Legislative Reference Service made a special study of my bill from that standpoint and recommended changes to prevent this accidental result from occurring. This was a task primarily of analysis of legislation rather than of drafting. The drafting was incidental, but important to the analysis. I would like to ask the managers of the bill, would this language prevent me from getting that kind of

help, including suggested amendments to my own bill?

I want to make clear that any deficiencies in my original bill were my fault, not the Legislative Counsel's. They reduced to technical phraseology exactly what I said I wanted to accomplish.

I do not think we can expect the Legislative Counsel, with all of the tremendous demands upon that office for bill-drafting work, to analyze programs of government for us and, in effect, duplicate the work of the Legislative Reference Service, in connection with every bill it drafts. However, the language the committee has used in suggesting the discontinuance of any and all legislative drafting assistance by the Legislative Reference Service seems to preclude any assistance of the kind I have outlined. That would throw such a heavy burden on the Office of the Legislative Counsel, in not only drafting legislation but researching all aspects of its ramifications, that it would not be able to handle our work at all. We would then have no place to turn.

Would it not be better, Mr. Chairman, to remove this limitation on the Legislative Reference Service and encourage the continued close collaboration between that office and the Legislative Counsel, trusting to the intelligence and good sense of both offices to avoid duplication?

Since there is no language in the bill on this matter, but only the prohibition of the report, there is no basis for an amendment if the managers of the bill will amplify exactly what it is they have in mind in this respect. I hope they will do so.

Meanwhile, I want to reiterate my support for the Howell amendment to provide the full budget amount for the Legislative Reference Service, and to add my personal salute to the praise he has expressed for the excellent work it performs.

Mr. CELLER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Chairman, may I take this occasion for the record to pay my tribute to the work of the Legislative Reference Service and to express the hope that Congress will do nothing that will jeopardize the work of this excellent and efficient agency. I, personally, would strongly urge that its facilities be increased, so as to permit us to make even more extensive use of it. Frankly I do not see how it can tackle the 50,000 inquiries we give it each year with a staff as small as it is.

I have had more than 30 years' service in Congress and know whereof I speak. During these years I have seen the Service grow in scope and quality. It has rendered invaluable aid not only to me personally but even more to the Judiciary Committee of which I was chairman for many years. I have learned that I can rely completely on its nonpartisan and unbiased character, and I feel that the present members of the committee of the

other party will bear me out in this. Here are just a few examples of reports prepared by the Service for our committee:

First. Committee print on internal security laws.

Second. Extradition on information filed by a public prosecuting officer.

Third. Brief on the question: Does Congress have to direct or empower the Supreme Court to promulgate a rule of ethics for attorneys practicing in Federal courts?

Fourth. State statutes of limitations and treble damage suits under the anti-trust acts.

Fifth. Assignment of judges.

Sixth. Prohibiting justices and judges from testifying as to character or reputation in Federal courts.

Seventh. Bail in criminal cases involving subversives.

You will agree, I think, that this is a formidable and important list, and there are scores of others.

I think every Member, or at least his office staff, has had reason to be grateful for the aid given in answering the many, many requests from constituents. I know I have. These are important to us and to the people back in our district who want to know about these questions.

If the staff of the Legislative Reference Service is curtailed, it is first of all we who will suffer. We need the personal attention to our research needs; we need the assurance of accuracy in information; we need the help which a skilled staff can give us which is not trying to sell us a bill of goods. These are the things which Members and committees, without regard to party or point of view, need in the interest of our great country—that we may act wisely and with an understanding of the facts. The Legislative Reference Service is our best hope for these.

I herewith submit an editorial in today's Washington Post and Times Herald:

NATIONAL TREASURE

The House Appropriations Committee's astounding criticism of the Library of Congress for going far beyond its original function as an agency of Congress certainly cannot be shared by most Members of Congress. They must know that the Library of Congress is one of our greatest national institutions. It is honored the world over as one of the richest storehouses of man's learning in existence. Its influence and leadership are recognized and appreciated by every library in the United States. Scholars from every State make use of it, for it has become the chief repository of papers on American history; it contains the papers of many Presidents and Secretaries of State and other invaluable manuscript material that is a part of the national heritage. In its short life of only a century and a half it has become 1 of the 3 or 4 most important libraries in the world, ranking with the British Museum and the Bibliothèque Nationale in Paris.

To circumscribe its activities, as the House committee would do, would be to weaken and undermine an institution that is one of the great treasures of the American people. It is true that the Library was started as an agency of Congress, but it has grown into much more than that. It must, of course, at all times recognize the priority of the congressional claim on it, but surely only a

handful of Members of Congress believe that the Library is anything less than a property of the Nation. Instead of reducing the Library's appropriation, Congress ought to increase it. Already the Library has had to cut its hours of operation, which is a severe handicap to the scholars who wish to work there. Its staff is not large enough to give the kind of service that ought to be given, and most of the staff is woefully underpaid. The remarkable thing is that the quality of service is as high and as courteous as it is.

Yet the Appropriations Committee shashed the Library's request for funds by more than \$1.25 million. The greatest Library in the Nation, probably the greatest in the world, costs less in a year than the crop-support program costs per day. Pennypinching is not the way to preserve and to augment a national treasure.

THE LIBRARY OF CONGRESS—ITS GREAT TREASURE SHOULD BE MAINTAINED

Mr. BOLAND. Mr. Chairman, I rise to support the amendment of the gentleman from New Jersey [Mr. HOWELL]. I am not in accord with the report of the committee in its recommendation to cut the 1955 budget of the Library of Congress. The adoption of the committee's recommendation would seriously injure the great work of the Library. I am disappointed with the language of the report.

Indeed the Library of Congress was first instituted for the convenience of and service to the Members of both Houses of the Congress. It is true that its duties historically have been to meet the needs of the Members of Congress first. But, Mr. Speaker, the tremendous growth of this agency is the reflection of its great usefulness to the Nation. For my part, I can say that it does a magnificent job for the Congress. But, Mr. Chairman, it is now more than just an arm of the Congress. Its benefit to students, scholars, historians, and libraries throughout the Nation is immeasurable. I think that we have the responsibility to see to it that sufficient funds are provided so that it will remain as one of the world's greatest libraries. Under unanimous consent, I insert in the RECORD two very excellent editorials from the Washington Evening Star and the Post and Times Herald. I am in accord with the views therein expressed. I also insert telegrams from librarians in my district. They offer proof positive of the absolute necessity of maintaining the present service of the Library of Congress with particular reference to card catalog service.

(The matters referred to follow:)

[From the Washington Evening Star of May 24, 1954]

NATION'S LIBRARY OR THE CONGRESS'?

Friends of the Library of Congress may have been puzzled by the report that funds for its maintenance and operation are to be cut drastically because it "has gone far beyond the functions for which it was originally created." A subcommittee of the Committee on Appropriations, House of Representatives, has recommended an appropriation of \$8,915,000 for fiscal 1955—a slash of \$1,294,883. This reduction might be serious in itself, especially when it is taken into account that the Congress coincidentally is asking increased service of the Library. But its implications may be even more deplorable.

One of them is that the world's greatest bibliographic establishments should be specifically "an arm of the Congress" and that it should "limit its service to others to that which can be furnished with the funds and staff available." This interpretation of the Library's purpose and function admittedly does have historic precedent. The Library was a congressional property and a congressional activity when John Randolph sponsored it in 1801. It still was primarily the Library of Congress in 1815 when Thomas Jefferson's collection of 6,700 volumes was purchased and in 1867 when Peter Force's Americana—60,000 books, pamphlets, and manuscripts—were purchased.

But it also gradually became the library of the whole United States. This was indicated when it absorbed the Smithsonian Institution's bibliographic material in 1866, when the privilege of using the books in the Library was extended to the Attorney General and the members of the diplomatic corps "on the same terms and conditions as it is enjoyed by the judges of the Supreme Court" in 1816 and when its "literary and scientific collections" were opened to "scientific investigators and * * * duly qualified individuals, students, and graduates of any institution of learning in the several States and Territories and the District of Columbia" in 1902. It was even more definitely shown when the Library was made responsible for the Copyright Office in 1870.

Of course, the Library never ceased to be a particular convenience to the Congress. What happened was that, specifically by congressional authority, the Library expanded its services wherever and whenever a genuine natural demand for them developed. If the Library now "has gone far beyond the functions for which it was originally created," it has done so in response to legitimate requirements and with full congressional approval. A change of policy may be needed. That is conceivable, but if the operations of the Library are to be restricted or curtailed, it should be remembered that millions of dollars' worth of private contributions inevitably would cease being offered. The Library has been and is the people's library in terms of gifts of incalculable value given because it was the whole Nation's bibliographic depository.

[From the Washington Post and Times Herald of May 25, 1954]

NATIONAL TREASURE

The House Appropriations Committee's astounding criticism of the Library of Congress for going far beyond its original function as an agency of Congress certainly cannot be shared by most Members of Congress. They must know that the Library of Congress is one of our greatest national institutions. It is honored the world over as one of the richest storehouses of man's learning in existence. Its influence and leadership are recognized and appreciated by every library in the United States. Scholars from every State make use of it, for it has become the chief repository of papers on American history; it contains the papers of many Presidents and Secretaries of State and other invaluable manuscript material that is a part of the national heritage. In its short life of only a century and a half it has become 1 of the 3 or 4 most important libraries in the world, ranking with the British Museum and the Bibliothèque Nationale in Paris.

To circumscribe its activities, as the House committee would do, would be to weaken and undermine an institution that is one of the great treasures of the American people. It is true that the Library was started as an agency of Congress, but it has grown into much more than that. It must, of course, at all times recognize the priority

of the congressional claim on it, but surely only a handful of Members of Congress believe that the library is anything less than a property of the Nation. Instead of reducing the library's appropriation, Congress ought to increase it. Already the library has had to cut its hours of operation, which is a severe handicap to the scholars who wish to work there. Its staff is not large enough to give the kind of service that ought to be given, and most of the staff is woefully underpaid. The remarkable thing is that the quality of service is as high and as courteous as it is.

Yet the Appropriations Committee slashed the library's request for funds by more than \$1.25 million. The greatest library in the Nation, probably the greatest in the world, costs less in a year than the crop-support program costs per day. Penny pinching is not the way to preserve and to augment a national treasure.

SOUTH HADLEY, MASS., May 24, 1954.
Congressman EDWARD P. BOLAND,
House of Representatives,
Washington, D. C.:

If House Appropriation Committee recommendation to reduce Library of Congress budget is approved operating expenses of local libraries will be increased. By selling its printed cards to libraries throughout the United States, the Library helps to reduce our costs. Furthermore the card catalog service is more than self-supporting, produces profit to Treasury and helps to defray costs of cataloging Library of Congress holdings. Proposed cut in salary budget will work further hardship on libraries depending on Library of Congress for loan of books, biographical and other services. Sincerely hope you will back restoration of all or generous part of proposed reduction.

FLORA S. LUDINGTON,
Librarian, Mount Holyoke College.

AMHERST, MASS., May 24, 1954.
Hon. EDWARD P. BOLAND,
House of Representatives,
Washington, D. C.:

Tomorrow appropriations committee reports Library of Congress bill. Important that recommended cut in request not be approved. Urge your support of restoration at least to level of present year. Pointless to cut card catalog service which operates at a profit.

NEWTON F. McKEON,
Director, Amherst College Library.

NORTHAMPTON, MASS., May 24, 1954.
Hon. EDWARD P. BOLAND,
House of Representatives:
Public libraries depended on Library of Congress cataloging and card services. Hope you will work to restore budget cuts.
LAWRENCE WIKANDER,
Forbes Library.

NORTHAMPTON, MASS., May 24, 1954.
Hon. EDWARD P. BOLAND,
House of Representatives:

Strongly urge your support in at least partial restoration of Library of Congress fund now in process of being cut one-half million below current year's appropriation. Cut of \$64,000 for Library of Congress printed cards would be financial hardship on all libraries throughout the country. Also cutting the one operation which is more than self-supporting to the United States Treasury. Salary cuts would be felt by libraries throughout the country as bibliographical and interlibrary loan services would have to be curtailed.

MARGARET L. JOHNSON,
Librarian, Smith College Library.

SPRINGFIELD, MASS., May 25, 1954.
Hon. EDWARD P. BOLAND,
House of Representatives,
Washington, D. C.:

Proposed Library of Congress budget cut is matter of deep concern to local libraries. All public libraries and institutions of learning are dependent on bibliographic services offered through the Library. Services offered on nationwide basis would be prohibitive in cost for individual libraries. Libraries already share in costs of these services through subscriptions and direct payment. We respectfully request that you consider giving your support to restoration of vitally needed funds to Library of Congress budget.

JOHN A. HUMPHRY,
Library Director, City Library Association, Springfield, Mass.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. HOWELL].

The question was taken; and on a division (demanded by Mr. HOWELL) there were—ayes 31, noes 52.

So the amendment was rejected.
The Clerk read as follows:

Distribution of catalog cards

Salaries and expenses: For expenses necessary for the preparation and distribution of catalog cards and other publications of the Library, \$1,200,000.

Mrs. CHURCH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. CHURCH: On page 18, line 22, strike out "\$1,200,000" and insert in lieu thereof "\$1,250,000."

Mrs. CHURCH. Mr. Chairman, I would say to the House that during my entire period of service, this is only the second time that I have offered an amendment to increase any item in an appropriation bill. I do so now only because I have become convinced because of the great services of the Library of Congress that this appropriation should be increased by the \$50,000 which my amendment asks. I would point out to you most respectfully that by this increase we would still not be giving the amount sought by the Library of Congress for this purpose; and we would still be keeping the amount below the appropriation for 1954. In 1954, the amount allotted was \$1,264,800. The estimate for 1955 was \$1,558,757. If we vote the \$50,000 additional, which I have asked, we shall still be far below the estimate for 1955 and we shall still be \$14,880 below the amount appropriated for 1954. I wonder that there is no agency connected with the Government which more deserves the support of this body than does the Library of Congress. Certainly, there is no agency which has so helped me and I cannot see but that it is actually to our credit that we are making more and more demands upon the Library. I certainly think that we ought to give it the full measure of our studied support, and I urge the adoption of the amendment.

Mr. HORAN. Mr. Chairman, will the gentlewoman yield?

Mrs. CHURCH. I yield.

Mr. HORAN. This is one place in the Library where our projection shows that they will actually obligate their total funds for the year. I have no objection

to the committee accepting this amendment, which has been offered by the gentleman from Illinois.

Mrs. CHURCH. I thank the gentleman.

Mr. HOWELL. Mr. Chairman, will the gentleman yield?

Mrs. CHURCH. I yield.

Mr. HOWELL. I wonder if you feel that this amount will really be sufficient to do the job which is necessary there. I know they do a great deal of work for libraries throughout the country in cataloging and sending them catalog cards, and they get paid for that at cost plus a 10-percent profit to the Government. Their estimate shows that they will probably need a bit more than this.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mrs. CHURCH. I yield.

Mr. HORAN. That is not true, and I do not know how that information got out. They are actually losing about \$100,000 this year, and not making a 10-percent profit.

Mr. HOWELL. On that particular phase of it, however, where they supply catalog cards to other libraries, I think they make money, or, at least, come out even.

Mr. HORAN. No; they do not.

Mrs. CHURCH. If I may answer the gentleman's question, I would state that while I have not made a personal investigation, I have it upon very excellent authority that this increase of \$50,000 would meet the need.

Mr. HOWELL. I compliment the gentleman for introducing the amendment, and I certainly shall support it.

Mrs. CHURCH. I thank the gentleman.

Mr. McCARTHY. Mr. Chairman, will the gentleman yield?

Mrs. CHURCH. I yield.

Mr. McCARTHY. I certainly shall support the gentleman's amendment. I think the RECORD should show that whereas card cataloging is not making a profit, something like 80 percent of the cost of this service is borne by nongovernmental services, and so if they get that \$50,000 restoration it might have the effect of increasing the service by approximately \$200,000, because 80 percent of the cost is borne by nongovernmental sources.

Mrs. CHURCH. We should hope that such a gain would be achieved.

Mr. HORAN. Mr. Chairman, we accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mrs. CHURCH].

The amendment was agreed to.

The Clerk concluded the reading of the bill.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. O'HARA of Minnesota, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9203) making appropriations for the legislative branch and the judiciary branch for the fiscal

year ending June 30, 1955, and for other purposes, pursuant to House Resolution 555, he reported the bill back to the House with sundry amendments adopted in the Committee.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any of the amendments? If not, the Chair will put them en gros.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. HORAN. Mr. Speaker, I ask unanimous consent that all Members who spoke on the bill may have 5 legislative days in which to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

INTERSTATE TRANSPORTATION OF FIREWORKS

Mr. KEATING. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the 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, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, lines 8 and 9, strike out "knowingly imports or."

Page 1, line 10, strike out "unless" and insert "knowing that."

Page 2, line 3, strike out "and" and insert "or."

Page 2, line 3, strike out "not."

Page 2, line 3, after "State", insert "specifically prohibiting or regulating the use of fireworks."

Page 2, line 7, strike out "or to a freight forwarder" and insert "or to international or domestic water carriers."

Page 2, line 8, after "commerce", insert "or to the transportation of fireworks into a State for the use of Federal agencies in the carrying out or the furtherance of their operations."

Page 2, line 14, strike out "Columbia." and insert "Columbia."

Page 2, after line 14, insert:

"This section shall be effective from and after July 1, 1954."

At the end of the bill add the following new section:

"SEC. 3. This act shall not be effective with respect to—

"(1) the transportation of fireworks into any State or Territory for use solely for agricultural purposes.

"(2) the delivery of fireworks for transportation into any State or Territory for use solely for agricultural purposes, or

"(3) any attempt to engage in any such transportation or delivery for use solely for agricultural purposes,

until 60 days have elapsed after the commencement of the next regular session of the

legislature of such State or Territory which begins after the date of enactment of this act."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

CERTAIN CONSTRUCTION AT MILITARY AND NAVAL INSTALLATIONS

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 558, Rept. No. 1680), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9242) to authorize certain construction at military and naval installations and for the Alaska Communications System, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

RECOMMITTAL OF BILL

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that the bill (H. R. 5183) to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon a certain claim of the Board of County Commissioners of Sedgwick County, Kans., be recommitted to the Committee on the Judiciary for consideration of an amendment. I have cleared this with the majority and minority leaders.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

THE JOHN DAY PROJECT ON THE COLUMBIA RIVER

Mr. COON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. COON. Mr. Speaker, I have today introduced a bill to authorize cooperation in development of the John Day project on the Columbia River.

This bill represents another step in working out a partnership policy for the development of our rivers.

Senator GUY CORDON deserves high praise for the leadership he has shown in the development of this legislation. Senator CORDON and my distinguished colleague, HARRIS ELLSWORTH, also deserve great credit for their earlier legislation to authorize partnership development of Cougar Dam.

Hearings should be held promptly on this bill, so that construction at John Day can begin as soon as possible. But we must also make sure that the hearings are careful and thorough. All persons who desire to speak on this bill must be given a chance to be fully heard. All aspects of the legislation must be examined. We must do all we can to make certain that this partnership is a sound and fair one, from the standpoint of all the people, and from the view of far-sighted resource development.

In this, as in the Cougar legislation, we are not merely proposing to develop a dam site—we will be testing the partnership idea. If we are successful, we will set a pattern for other partnership developments throughout the Northwest and the Nation.

EAST-WEST TRADE—CHARGES MADE AND ANSWERED

The SPEAKER. Under the previous order of the House, the gentleman from New York [Mr. JAVITS] is recognized for 20 minutes.

Mr. JAVITS. Mr. Speaker, on last Wednesday, the 19th of May, certain charges were widely published as emanating from the Congress on the subject of trade between the free world and the Soviet bloc. It was charged that Britain and presumably other western countries are shipping weapons of war to Communist China. It was further alleged that the Foreign Operations Administration is refusing to give the facts about East-West trade to the Congress and the public. And other statements were made critical of our allies and of the Eisenhower administration. The charges made, and especially the implications sought to be drawn from them, are unwarranted by the facts, and the best way to deal with the charges is to state the facts.

It happens that I am in a position to have some knowledge of the facts of the matter by virtue of the inquiry that has been made into this subject by the Subcommittee on Foreign Economic Policy, of which I have the honor to be chairman. I feel it my duty, therefore, to speak to the subject, and I have obtained additional information bearing on the specific charges made.

Now, upon what are the charges based that our allies are shipping weapons and other sinews of military strength to Communist China?

They seem to be built largely on an erroneous interpretation of a statement made in the House of Commons by Peter Thorneycroft, president of the British Board of Trade. The statement was made on March 30, after the United States, the United Kingdom, and France had exchanged views concerning certain adjustments that are to be made in the

international program of strategic trade controls, as pertaining to shipments to the European Soviet bloc, not to Communist China. The reasons for these adjustments in the controls over shipments to the European Soviet bloc were explained in detail before the Subcommittee on Foreign Economic Policy on February 16, and they have been carefully explained by Government officials on other occasions as well.

Mr. Thorneycroft stated that any relaxation of controls must be fully compatible with security requirements. His statement was three paragraphs in length, and the full text is as follows:

With your permission, Mr. Speaker, and with the permission of the House, I should like to make a statement on the discussions which have taken place this week with Mr. Stassen, representing the United States Government, and M. Maurice Schumann, representing the French Government, on the subject of East-West trade. We discussed questions affecting both the scope and the enforcement of the controls over the export of strategic goods to the countries of the Soviet bloc.

We found ourselves in full agreement that, while controls must be maintained on exports of goods which would add directly and significantly to the Soviet bloc's military capabilities, especially, of course, in unconventional weapons, we should seek a substantial relaxation of the controls on other goods and an expansion of civilian trade. I would emphasize that such a relaxation is fully compatible with security requirements.

On this agreed basis, we shall now proceed to discuss with other friendly governments the detailed application of this policy. Our proposal to them will be that we should examine the scope and effect of the controls, category by category, the whole operation taking 2 or 3 months; but it is our hope to introduce agreed changes by stages and the House may be assured that we shall avoid needless delay. At the same time, the House will appreciate that there can be no question of relaxing any controls except after full discussion with other friendly governments who are equally concerned.

As a basis of the charges to which I have referred, only one sentence of the Thorneycroft statement was selected. That sentence reads as follows:

We found ourselves in full agreement that, while controls must be maintained on exports of goods which would add directly and significantly to the Soviet bloc's military capabilities, especially, of course, in unconventional weapons, we should seek a substantial relaxation of the controls on other goods and an expansion of civilian trade.

It was then charged that the words "especially, of course, in unconventional weapons" had only one meaning: "that they plan to ship conventional weapons of war," such things as "artillery, tanks, antiaircraft guns, radar, jet planes."

This was a perfectly amazing interpretation, without foundation, in what was said by Mr. Thorneycroft, who in emphasizing controls on unconventional weapons could certainly not be said to imply that conventional weapons were to be shipped.

As Harold E. Stassen, Director of the Foreign Operations Administration, promptly stated, following the charges, all of the allied countries cooperating in the international group of 15 nations—the leading trading nations of

the world—ban the shipment of any weapons whatsoever, conventional or unconventional, to any part of the Soviet bloc, either in Europe or Asia, and that they will continue to ban them.

No country has suggested that the embargo be ended on weapons, nor on any other kind of munitions, nor on atomic energy materials. As a matter of fact, many nonmunitions items which contribute directly and significantly to warmaking power remain on the embargo lists.

There is no plan and has been no plan to start shipping weapons to any country under Moscow's domination; that would be unthinkable.

The charges, however, did not stop with the accusation that the British plan to ship weapons. The charge was made that our allies are already shipping such things.

Mr. Thorneycroft's words have been depicted as being an official statement in the House of Commons that our allies are shipping "antiaircraft guns and artillery and other weapons of war" which are being relayed to Indochina where they may kill American boys.

The fact is that our Government represents that our allies, including the NATO countries, with whom we work very closely in the program of strategic trade controls, have shipped no munitions to the U. S. S. R. and its satellites, either in Europe or Asia, and our Government is confident that they will not do so.

According to public reports sent to Congress by the Foreign Operations Administration, the sum total of all goods on the Battle Act embargo list which were knowingly permitted to be shipped to the Soviet bloc in 1952 and 1953 by all the countries receiving aid from the United States amounted to about \$15 million. This information was also brought out in the hearings before the Subcommittee on Foreign Economic Policy—pages 18-19—which were made available to the public. Under the provisions of the law, the President himself has reviewed the circumstances in each case and has directed the continuance of United States aid to the countries involved, because the President found the cessation of aid would have been clearly detrimental to the security of the United States.

Of this \$15 million, 74 percent was prior commitments—that is, commitments made before the Battle Act went into effect. None of the \$15 million was munitions or atomic energy materials. Only \$98 of it went to Communist China—all the rest to the European Soviet bloc. The \$98 that went to Communist China—it was in 1952—consisted of \$66 worth of lubricating oils and greases and \$32 worth of gages for a sugar-processing plant.

Compared with the \$15 million over a 2-year period, the total amount of exports from the entire free world to the Soviet bloc in the same 2 years was \$2.7 billion. This is only around 2 percent of total free world trade.

The facts about the China trade have been regularly reported to Congress by

the Foreign Operations Administration. Most of our allies do trade with Communist China, but in nonstrategic goods. Under a United Nations resolution they maintain a strict embargo over strategic materials. This embargo is still firmly in effect. The cooperating governments are not relaxing it. Since they trade with Communist China, they send their ships there. But they have regulations prohibiting these ships from carrying strategic goods from any country to Communist China. Free-world exports to Communist China have been declining; they decreased from \$159 million in the first half of 1953 to \$111 million in the second half of the year. These facts were not mentioned in the charges.

Rubber exports are important and I would certainly not want to see any rubber exported to the Communist bloc, but the charges concerning rubber should not be permitted to be inaccurate. My information is that the United States consumed 1,335,000 tons of new rubber in 1953, of which 553,000 tons were natural rubber. Of course, only a fraction of this went for military purposes. Yet, it was charged our peacetime economy requires only 40,000 tons a year by way of stressing the significance of rubber shipments of 194,000 tons in 1952 to the Soviet bloc. It was not mentioned that these shipments fell to 147,000 tons in 1953 and that of this 147,000 tons, 58,000 tons were shipped from Ceylon to Communist China. Ceylon receives no United States aid and is not a member of the United Nations. The rest of the rubber went to the European Soviet bloc.

It was also charged that Malaya got caviar and other insignificant shipments in return for the rubber it shipped to Russia. I am informed that Malaya has made no direct shipments of rubber to the Soviet Union since March 1952, and that when she did make direct shipments she was paid in sterling, which she could use to buy goods in the free world. Also, that for the last 2 years any shipments of Malayan rubber to Russia have gone through the United Kingdom. This trade has taken a very great drop. In fact, Britain's reexports to the Soviet Union of rubber from all her colonies, including Malaya, have amounted to only 5 tons in the first 4 months of 1954.

The strategic trade-control system is a multilateral effort, in which many countries are in constant and close consultation, and in which the cooperation has been, by and large, very good.

It is not a service to our national interest to speak of allowing other countries to do this or that, as though they were not independent countries at all, but merely our puppets, which they are distinctly not.

Our aid to other countries helps make the whole free world secure, including our own Nation, and it cannot be cut off without having critically detrimental effects on the national security of the United States.

The organization of the economic defense program in our own Government is not merely a program of the Foreign Operations Administration, but involves 10 agencies which work closely together,

including State, Defense, Commerce, Treasury, the Central Intelligence Agency, and others. The overall policy is not set by any one department but by the President and the National Security Council, and the implementation of the policy is the joint responsibility of the Secretary of State and the Director of Foreign Operations—see pages 5 and 6 of Subcommittee on Foreign Economic Policy hearings.

It is true, of course, that some information concerning strategic trade controls cannot be made public for security reasons. On many occasions classified testimony on this and other subjects have been given to committees of Congress in executive sessions by members of the executive branch.

The Foreign Operations Administration and other Government agencies have not refused to cooperate with the Congress in bringing out the facts about the program. They are, on the contrary, anxious to convey the facts to anyone who will listen.

I am glad to make a statement on this from first-hand experience. On February 16 of this year, the FOA's principal East-West trade officials came before our subcommittee and testified jointly with State Department representatives. They testified in detail upon the economic defense policy of the Government, the objectives of that policy, the organization within the Government for carrying out the policy, the current changes of emphasis in the program, and the current trends in East-West trade. The subcommittee considered this testimony of such importance that its publication would be in the public interest. Hence the subcommittee published the hearings, along with a number of charts, on March 14. It was widely distributed and publicized in the press. The charges do not reflect consideration of this document.

On April 9, Mr. Stassen appeared before the Senate Committee on Foreign Relations and publicly testified concerning the current adjustments in the control program. These hearings also were printed.

On May 17, only 2 days before the charges to which I refer were made, the Director of FOA sent to Congress the fourth semiannual Battle Act report, entitled "East-West Trade Trends." This book contains 102 pages and abounds with facts and figures about East-West trade. A copy was sent to every Member of Congress. It received very wide attention in the press on May 17. The charges do not reflect consideration of this report.

In addition to this report and the hearings, the executive branch sends other reports on East-West trade to Congress from time to time. These reports are sent to the six committees which are named in the Battle Act as being the committees which are to receive such reports. These are the Foreign Affairs Committee of the House, the Foreign Relations Committee of the Senate, and the Armed Services Committees and Appropriations Committees of both Houses.

Another charge made was that the FOA had refused to tell the Congress

what strategic commodities were being shipped to the Soviet bloc by our allies. This is not correct. On the contrary the committee of which I am a member has received the periodic reports which the President and Mr. Stassen have sent to the six committees, describing in detail the shipments of Battle Act embargo items which have been made. As I said earlier, these shipments totaled about \$15 million in the first 2 years of the Battle Act, and they included no weapons whatsoever, and the strategic goods which went to Communist China amounted to the great sum of \$98.

Distortions of fact inherent in the charges sow dissension and distrust and can only do harm to the efforts of our country to maintain the anti-Communist struggle in cooperation with other countries. That is why I have felt it my duty, as chairman of the Subcommittee on Foreign Economic Policy, to supply some facts today.

In conclusion, Mr. Speaker, I wish to call attention to what is perhaps the most cynical and tragic of all the charges. This is the charge that if free-world ships were prevented from going to Communist China, "the war in Indochina will dry up and die overnight" because of the "lack of munitions."

Mr. Speaker, I only wish that this were so, but it is not so.

Charges made to the American people that the war in Indochina would dry up overnight if our allies would only stop allowing their ships to visit Communist China, can have the effect of cruelly raising false hopes on the part of Americans who might not possess the facts on which to judge the truth. Charges like this are more likely to damage than help the cause of freedom in the world.

It is a prime and well-established policy of world communism to drive wedges between the non-Communist countries. Unsubstantiated charges which give a false impression of the trade of our allies with the Communist bloc do not fight communism but tend to sow suspicion and distrust, the very climate the Communists wish to spread in the free world.

We seek with justification to bring about a complete embargo of all trade even if non-strategic with Communist China, and we strive to see that the Soviet bloc does not have war making power in any way. We must recognize that our allies are not trading in munitions nor other strategic goods; that they get more out of this foreign trade to keep their economies strong than they give, thereby reducing their need for foreign aid; that they obtain goods from Communist China which they need, in return for the goods they ship to that country; that they are sovereign nations, entitled to make decisions regarding their own trade; that they are generally cooperating extremely well in the mutual defense program and in the control of strategic goods; and that if we followed extremist advice we would drive away our friends and be left alone in the world, to the mortal danger of our national safety and our free institutions. The dangers inherent in breaking up the free

world's anti-Communist cooperation is clearly apparent to us all today.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Illinois.

Mr. SPRINGER. The gentleman has not touched on the general question of trade between the East and the West.

Mr. JAVITS. The gentleman will.

Mr. SPRINGER. I think that is every bit as important as the question of whether or not you are exchanging armaments or whether they are being shipped there. I think we are all conscious of the fact that the sinews of any country rest on the trade that they have with the rest of the world. Let me give the gentleman just 1 or 2 examples. Last summer in Vienna, I went out to the Vienna Trade Fair. The largest exhibit there, by far, and which would have encompassed the three largest of the other exhibitors, were the Russians. They had there every form of trade imaginable, from pharmaceuticals to automobiles, tractors, plows, farm equipment of all kinds. Poland was there under the same circumstances, as well as Rumania and Bulgaria, all of them seeking trade in what I would call west of the Iron Curtain. Now, I think, if we are going to make any progress in world trade, we have to counter this. I will ask the gentleman if he is familiar with the trade bill which has been introduced by the gentleman from Nebraska [Mr. HARRISON], the gentleman from Minnesota [Mr. JUDD], the gentleman from Texas [Mr. LYLE], and myself and at least two other Members of this House, which will make the interchange of currencies easy so that we may enter into this trade race which has been running in Europe. I just brought that up because I thought it was awfully important on this question of trade. It is just as important that we enter into the matter of getting commercial trade as it is in preventing arms going behind the Iron Curtain.

Mr. JAVITS. If the gentleman will allow me, first, it is necessary to lay at rest charges of the utmost seriousness as to the relationship between ourselves and our free-world allies.

Mr. SPRINGER. I agree with the gentleman that far.

Mr. JAVITS. Then I shall be very glad to deal with the subject of nonstrategic trade to which the gentleman refers, and I will before I am through.

Mr. HOWELL. Mr. Speaker, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from New Jersey.

Mr. HOWELL. I want to commend the gentleman on the statement he is making. It is very important at this time.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Has the gentleman any views to express on the lifting of trade restrictions in the Communist bloc in Europe which has been suggested recently? Does the gentleman approve of that?

Mr. JAVITS. I would like to address myself to that, I will say to the gentleman. I must get in this information about strategic trade, and if the gentleman will bear with me, I will cover the subject.

First, as to the strategic trade, the facts show that within the last 2 years the shipment of strategic materials behind the Iron Curtain—and this is not weapons but what could be otherwise useful in war—amounted to slightly under \$15 million, of which 74 percent was in prior commitments, that is, contracts which had already been made, and the President in each case found that the cessation of aid to the country which participated in any such shipment would clearly have been detrimental to the security of the United States. He made a specific finding in each case to that effect. None of the \$15 million was munitions or atomic-energy materials. And incidentally, only \$98—not thousands or millions, but \$98—went to Communist China. All the rest went to the European Soviet bloc.

This \$15 million—and this brings me to the point which the gentlemen have raised—this \$15 million in strategic materials over a 2-year period compared with exports from the entire free world to the Soviet bloc in the same 2 years of \$2,700,000,000. That, in turn, must be juxtaposed to imports from the Soviet bloc in excess of that amount. The figures are, for 1953, estimated exports of \$1,575,000,000 to the Soviet bloc, including Communist China, and an estimate of imports from the bloc of \$1,929,000,000.

This is the nub of the controversy. If we are to prohibit completely all nonstrategic trade with Iron Curtain countries, then we have to be prepared to proceed with dispatch with legislation such as my colleague the gentleman from Illinois [Mr. SPRINGER] referred to, which will tend to integrate the free world and give the countries of the free world the opportunities and the facilities for trading with each other so that they can supplant this trade with the Iron Curtain countries, and we have to open up new markets and new demand for goods in the free world. If we do not, we have to put up that amount of aid. Because it is a fact that there has been a tremendous reduction in the volume of export and import business between the 12 free European OEEC countries and the European countries behind the Iron Curtain; it is 2.6 percent West European exports and 2.5 percent of such West European imports compared with 10.2 percent of exports and 11 percent of imports before World War II.

And if we do not want these countries to deal with the Soviet bloc in terms of the timber and the grain for which the Soviet bloc has been the traditional source of supply of Western Europe, which has been so very materially cut now, as I said a minute ago, then we have to either make it up in aid or we have to do an infinitely better job of integrating the free world in terms of trade.

The fact is, the essential determinant today for the trade which we counte-

nance with the Iron Curtain countries is trade upon which the balance of necessity and convenience and value is in favor of the free world as against the Communist world. It is purely a selfish proposition and evaluated in that way on each specific item of trade. I think it is extremely important that the people understand that.

No one would like better than I to embargo completely all trade with Iron Curtain countries. I think it would be a tremendously effective weapon to liberate the enslaved peoples behind the Iron Curtain. But I submit that if we are going to have to face that, we have got to face a bill for several billions in additional foreign aid ourselves which our people will not accept.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Illinois.

Mr. SPRINGER. May I say to the gentleman that here is the kind of weapon that they are using economically against us. On the day that I was in Paris, I talked with the American Ambassador, Mr. Dillon. He had just been notified by the French Government on this day that at the Lyons Fair, which is the largest one in France traditionally, the Russians for this year 1954 have offered to build a building, something that had never been allowed before in the Lyons Fair, of some \$1 million. And the goods which they were going to bring into this fair and which they had listed, were farm machinery, tractors—the very things which we had been supplying to France in our trade during the past 15 years.

I think the gentleman has indicated the crux of the problem; that somehow we must meet this threat in Europe which the Iron Curtain countries are making to our own competition.

May I put this question to the gentleman? Is not our trouble the fact that there is a dollar shortage, there is not an earning power of dollars? Am I right in that?

Mr. JAVITS. First may I say that the Communist offers of business are very often faked for propaganda purposes and they really have nothing to sell when cornered by an offer. Second, the difficulty is we do not have enough markets in the free world to substitute for their Communist bloc markets—that is more important even than dollars.

Mr. SPRINGER. But is it not largely a question of the exchange of money? If you had a common currency, you probably would be able to exchange these without any difficulty.

Mr. JAVITS. Currency convertibility will help but currency alone will not do it. You have got to have markets. And that means the development of the underdeveloped areas, and the opening up of new markets which would need to be supplied.

Mr. SPRINGER. The gentleman has just mentioned the figure \$2 billion and over which the Iron Curtain countries have done in trade with western countries in Europe; am I right in that?

Mr. JAVITS. That is right, with the whole free world.

Mr. SPRINGER. Is not that the market we should be seeking?

Mr. JAVITS. Yes, but please note the free Europeans have to sell before they can buy.

Mr. SPRINGER. What you have had there is what is generally known as barter, or what is known as a bilateral arrangement, in which you have exchange of goods for goods.

Mr. JAVITS. That is what the Soviet bloc has done.

Mr. SPRINGER. Our State Department does not approve of that sort of thing, and I am not so sure I do, either, after having seen all the countries of Western Europe to which the gentleman was referring. I was in every one of them except Yugoslavia on this side of the Iron Curtain. I talked with members of the Foreign Operations Administration there and with the representatives of the State Department in every one of those countries. The only thing we can do is make possible an exchange of currencies. I think the bill I mentioned awhile ago makes that possible, so that we can sell our surplus produce in those countries.

Mr. JAVITS. My thesis is that you have to open up markets, and markets mean human needs, increasing production in areas where production is very low today. This is the whole problem of the development of the undeveloped areas. Only when you do that will you afford markets which Europe needs both in getting the raw materials it needs, which it now must acquire in fact behind the Iron Curtain, or in selling its own output of manufactured goods. This is a job on which we have fallen down, and the evidence of our failure is contained in the continuance of this trade in nonstrategic materials with the governments behind the Iron Curtain.

Let me emphasize that the trade relatively speaking is small. It amounts to roughly 2 percent of the whole trade of the free world, and it has been falling, which is a very, very important consideration.

I would like to emphasize that I am deeply concerned with the gentleman's discussion, but I think the important thing to nail down today is that our allies are not knifing us in the back in terms of East-West trade in weapons or strategic goods.

The allegations about the shipping of arms, ammunition, and so forth to our deadly enemies lead only to suspicion and distrust, which of all times we can least afford today. I think that at all times this has to be said and reiterated and proven. That was my purpose in taking the floor today.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Ohio.

Mr. VORYS. Along the line of the questions the gentleman was asking about this Lyons Fair, I have read in the past few days that whereas the Soviets were going to make this big splurge about what they had to sell, and had a rather fancy line of samples, the result was that when they got all through they did not

have much to sell, and what they had to offer was on such terms that nobody wanted to buy it. I wonder if the gentleman could comment on that?

Mr. JAVITS. No question about it. The facts are that of the total imports from the European Soviet bloc by the United Kingdom, for example, an aggregate of about 90 percent is in food and raw materials. The Russians and satellites are not selling manufactured goods, they are showing them around to make an impression that they have them to sell, but when it comes down to cases they do not have them to sell. But more than that, with all the fanfare the British were going to make with the Russians to sell them goods, British-Russian trade has fallen, not increased. It is a Communist fraud, but it is a fraud which is serious to the free world unless we meet it not only in terms of denunciation but in terms of actually recognizing that we have to have new markets if you want to replace these old markets, and that Europe has to have a supply of raw materials from what you call soft-currency countries if you are going to replace entirely their traditional suppliers behind the Iron Curtain. A perfectly remarkable job has been done already in cutting down the business between the free world and the Communist world.

THE OIL INDUSTRY

The SPEAKER pro tempore (Mr. CANFIELD). Under previous order of the House, the gentleman from Oklahoma [Mr. JARMAN] is recognized for 30 minutes.

Mr. JARMAN. Mr. Speaker, on May 3 and 4, 1954, the board of directors of the Independent Petroleum Association of America, meeting at Denver, Colo., adopted a resolution relating to this Nation's increasing dependency on imported oil.

As a Representative of the Fifth District of Oklahoma, an area composed of five oil-producing counties, I find this resolution to be of vital interest to the people in my district. It is also of direct concern to Members of Congress from the 29 other States which now produce oil. Most important, however, because of its bearing on the national security, this resolution deals with a subject of primary significance to the elected representatives of every State of the Union. For these reasons, I insert this resolution in the CONGRESSIONAL RECORD at this point:

RESOLUTION ON PETROLEUM IMPORTS ADOPTED BY THE BOARD OF DIRECTORS OF THE INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA MIDYEAR MEETING, DENVER, COLO., MAY 3-4, 1954

The welfare and safety of the United States depend upon adequate oil supplies. President Eisenhower recognized this in speaking to the American people less than a month ago. He pointed out that Russia produced less than half a billion barrels of oil yearly as compared with 2¼ billion in this country. United States production of oil and steel, he said, "are deterrents upon men in the Kremlin. They are factors that make war, let us say, less likely."

Sufficient domestic oil is the backbone and the first line of our national defense. The fundamental issue involved in the question of oil imports, therefore, is preserving the strength of a vital American industry—oil and gas production. Excessive imports undermine that strength. As domestic producers our primary objective is, and must be, to continue to find enough oil to keep pace with increasing national requirements. When excessive imports endanger that goal we have a right and a duty to demand corrective action.

At the last annual meeting of this association, October 1953, we cited the harm being inflicted upon the domestic industry by a continued high rate of imports. At that time there was an obvious and urgent need to effectuate a sound import policy. We were concerned with the effectiveness of a solution, not with the means. We urged, therefore, the consideration of all possible solutions and invited the cooperation of all elements of the petroleum industry. To this end we recommend that—

1. The importing companies voluntarily reduce imports to the proper level;
 2. The President of the United States and appropriate Government agencies take such action within the proper authority to accomplish this same objective;
 3. If excessive imports should continue, without effective correction by all other possible means, then and only then should a solution be sought through legislative action.
- Since that program was adopted more than 6 months ago, sincere and tireless efforts have been made to solve the import problem, short of legislation. This association has joined others in these efforts. Today we face the following facts:

First. Imports of crude oil and refined products have not been reduced, and are scheduled to increase further during 1954.

Second. The availability of domestic oil—primary factor set out by the National Petroleum Council for measuring the proper level of imports—proves that imports are supplanting domestic oil to an increasing extent. The latest figures show that we now have a shut-in domestic capacity of one and three-quarter million barrels daily, available at efficient rates of production.

Third. Repeated reductions in domestic production without corresponding reductions in imports have continued to violate the principles of equity to which the industry also has subscribed through the National Petroleum Council.

Fourth. A progressive weakening in the ability of the domestic oil industry to meet national needs would be the inevitable and disastrous result should excessive imports continue and thereby prevent necessary expansion in this country.

The facts show imports to be excessive by every accepted standard. Imports of both crude oil and fuel oil have an established and accepted place in United States foreign trade. Excessive shut-in domestic production, or depressed fuel oil markets below parity with competing fuels, have constituted evidence that imports have gone beyond justifiable levels.

Importing companies have had an opportunity to act, individually and voluntarily. Reductions by some have been offset by increases by others. No doubt remains that industrial statesmanship has failed to provide an overall and assured solution.

Likewise, no solution has yet been formulated through administrative agencies of the Federal Government. The report of the Randall Commission on Foreign Economic Policy dealt with foreign trade in general. The proposed 3-year extension of the Trade Agreements Act calls for further tariff reductions and encouragements to imports of all commodities. The answer to the specific

problem of oil imports can and must be found within the framework of general trade policy and sound foreign trade relations.

The dangers confronting the domestic-oil industry are real and immediate. Further delay leads to dependency on foreign oil. We must not render our country defenseless in one of the most vital munitions of war.

As in the past, we would support a prompt and effective solution by any means short of legislation. Such a means being not now available or forthcoming, our national interest impels us to act before it is too late. Now, therefore, be it

Resolved by the board of directors of the Independent Petroleum Association of America, as approved by its executive committee, That the Congress of the United States be urged immediately to enact legislation to correct the conditions created by excessive oil imports which now endanger our Nation's security; and be it further

Resolved, That cooperation and support are invited from all elements of the petroleum industry and from all those whose future welfare and security also demand a strong and capable petroleum-producing industry in the United States.

This resolution represents the thinking of many of the people in my district. My State has, in the past year, felt the impact of the ever-increasing volume of foreign oil. It anticipates an intensification of this situation in the months to come. The potential consequences to my district's economic welfare are both obvious and forbidding. The potential consequences to the State and Nation are similarly bleak. They must be prevented.

As evidence of the situation in Oklahoma, I would like to quote from a letter sent to me by Mr. Roland V. Rodman, president of Anderson-Prichard Oil Corp. Mr. Rodman states:

Oklahoma has lost a great deal of her market. Formerly, we exported a substantial amount of oil to Imperial Refinery at Sarnia, Ontario, and considerable oil moved to the east coast.

We have lost the Canadian market to Canadian crude. We have lost much of the east coast market to importers and now we are in process of losing some of midwestern market to Colorado and Wyoming oils that are being sold at distressed prices.

Two years ago Texas was producing 25 days a month. It is now producing 17 days a month. Certain of our production in Oklahoma is now limited to 40 percent of what it was last September. It will only be a short time until our State finances are very badly shaken if further cuts become necessary.

Mr. Rodman's letter ably sums up the impact, direct and indirect, of foreign oil on markets for Oklahoma crude oil.

The further impairment of the oil industry in Oklahoma would be a severe blow to the State's economy, for 62 of its 77 counties produce oil. Almost 40 percent of the land in Oklahoma is under lease. Since oil was discovered in Oklahoma, it has produced more than \$10 billion worth of crude oil alone.

Oil constitutes 90 percent of the value of all mineral production in my State. Some 43,000 people are directly employed by the oil-producing industry there. The loss of markets for Oklahoma oil would obviously exert an injurious force on the economy of Oklahoma, and would result in a curtailment of employment. These are real causes for concern.

An increasing number of wells in my State are marginal in nature. This is in-

dicated by the fact that the average daily production per well in Oklahoma is 8.4 barrels. It is further evidenced by figures which show that 97 percent of all Oklahoma wells were being operated by pump or artificial lift, as of January 1, 1954.

This is not to say that Oklahoma oil is on the decline. A total of 167 new oilfields and pays were found in 1953, as compared with only 121 in 1951. This clearly indicates that Oklahoma's oil potential is still very much on the upgrade. Her added reserves will be valueless to the Nation, however, unless they are developed. And, equally important, unless a market exists for development of new reserves, the operator cannot afford to engage in expensive exploratory drilling. Projected on a national scale, this could mean a reversal in the industry's history of adding more oil to the Nation's reservoir than is found each year. This trend has continued for many years, and is more than adequate evidence that this country is definitely not, as some of the importers of oil would have us believe, running out of oil.

The oil-imports problem is not, by any means, exclusively an Oklahoma problem. It is a national problem, and one that has accelerated in postwar years. Oil imports filled only 8 percent of national demand for oil in 1946, yet now they absorb 14 percent of the United States' market. Over the same postwar period, oil imports have increased in volume from 377,000 barrels per day to their present rate well in excess of 1 million barrels per day. Oil imports have increased 179 percent during this period, while domestic crude-oil production increased only 36 percent. Thus, importation has increased at five times as fast a rate, percentage-wise, as has domestic crude-oil production. The postwar increases in domestic demand for oil have thus been supplied, to an increasing extent, by foreign oil. This has occurred in an era immediately following the domestic oil industry's tremendous contribution to victory in World War II. Continued governmental failure to protect the interests of domestic producers would be tantamount to saying, "I told you I loved you, now get out," to quote a recent popular song. This might be well and good except for the fact that we may someday need again the security that is afforded by domestic oil.

Oil produced in this country, after all, need not be protected from atomic-powered Russian submarines. It can be moved through invulnerable pipelines. Nor is it, like Iranian and other middle-eastern oil, located in an area adjoining Russia—an open invitation to conquest and exploitation. It can be utilized without the cost of lives of merchant mariners. It is not dependent on the shifting sands of international diplomacy. It can be fitted directly and immediately into the Nation's specific military needs.

Many of our military leaders have warned against the consequences of dependency on foreign sources for strategic materials. Gen. Albert C. Wedemeyer,

famed World War II commander of the China theater, on December 22, 1953, told Senator GEORGE W. MALONE's special Subcommittee on Minerals, Materials, and Fuels Economics that he thought it was, and I quote, "unsound for a nation to depend upon resources of raw materials which are remote from that nation's dynamo or industrial potential." Gen. Alfred H. Johnson, then in charge of petroleum logistics for the Defense Department, told the subcommittee on December 2, 1953 that, and I again quote:

We do not desire to place any reliance on any sources outside the Western Hemisphere.

In the February 9, 1953 issue of *Newsweek*, Gen. Carl Spaatz, famed World War II Air Force leader, said:

Oil is the essential ingredient of modern warfare. Even supermodern atomic weapons amount to nothing unless the means of their delivery are fueled with oil.

Despite these warnings from experienced military men, we have continued to place increasing peacetime reliance on foreign oil. The inevitable effect of peacetime reliance is a comparable dependency in time of war. In the case of oil, this could mean disaster. Oil is the mover of military machines. It has no reliable substitute.

Senator FRANK CARLSON described this situation very well last year when he said:

If we become reliant on others for our oil supply, we must become dependent on others for security.

He also stated that—

Without petroleum, we could not even bring our men and machines into a posture of defense against our enemy. We certainly could not conduct a counteroffensive without serious and perhaps fatal early setbacks.

He pointed out that—

Oil imported from other countries during wartime would have to be protected with scarce manpower, tankers, and other equipment. If we become dependent on vast imports of oil, civilian rationing during time of war would be unlike anything ever experienced in this country before.

The oil industry recognizes the primary importance of domestic oil to defense. This policy is stated by the National Petroleum Council, industry group which advises the Federal Government on petroleum matters. This group's policy on imports is as follows:

1. The Nation's economic welfare and security require a policy on petroleum imports which will encourage exploration and development efforts in the domestic industry and which will make available a maximum supply of domestic oil to meet the needs of this Nation.

The availability of petroleum from domestic fields produced under sound conservation practices, together with other pertinent factors, provides the means for determining if imports are necessary and the extent to which imports are desirable to supplement our oil supplies on a basis which will be sound in terms of the national economy and in terms of conservation.

The implementation of an import policy, therefore, should be flexible so that adjustments may readily be made from time to time.

Imports in excess of our economic needs, after taking into account domestic production in conformance with good conservation practices and within the limits of maximum efficient rates of production, will retard domestic exploration and development of new oilfields and the technological progress in all branches of the industry which is essential to the Nation's economic welfare and security.

Despite strong voices of caution from the military, from congressional leaders and from experienced oil-industry officials, we are threatened with a larger degree of dependency on foreign oil than ever before in our history.

The oil-producing industry, in 1953, produced more than \$6 billion worth of crude oil alone. The producing industry alone employs about 300,000 people, and provides indirect employment to several times that number. Oil is now, by far, the Nation's most valuable mineral. It is found in 30 States, with good prospects for a number of additional oil-producing States in the coming years. The income from the production of oil is widely diversified, as is evident from the fact that there were more than 500,000 producing oil wells in this country at the end of 1953.

Serious injury to this industry would seriously hurt the national economy at a time when it needs all of the help it can get. The injury to susceptible State and local economies would be even more direct and immediate. When these points are coupled with the fact that the domestic industry is now capable of supplying more than adequate supplies of oil for both peace and war, a policy of increased dependency on foreign oil becomes truly incredible. Yet it is that policy which continued inaction will lead us to pursue.

In the aforementioned director's meeting of the Independent Petroleum Association of America, the productive capacity committee of that association released an analysis which showed that the domestic oil industry could have produced over one and a half million barrels per day more oil than it did in January of this year. This is "shut-in" capacity to produce, and indicates the degree to which foreign oil is restricting markets for domestic oil. This report effectively explodes the argument that we are running out of oil and that we must rely on foreign oil. The degree of reliance is a matter of national choice. This choice must be made in the best national interest. I fervently hope that such a choice will inevitably be based on the basic realization that the national security is dependent on a strong supply of domestic oil.

An even more disturbing analysis was released by the supply and demand committee of the Independent Petroleum Association of America. This committee forecast that, for the first time since 1949, the domestic producing industry would decrease, rather than increase its production in 1954. This estimate was based, however, on the assumption that there would be no change in projected imports of foreign oil during 1954.

The domestic oil producer is also faced with the loss of a substantial portion of his export market. United States exports of crude petroleum and refined products are expected to decline about 20 percent during 1954 as compared with 1953. This is a result of the fact that foreign crude oil productive capacity and refining capacity have been expanding faster than foreign demand. It has resulted in, not only the loss of a substantial part of the Western Hemisphere export market, but in an oversupply of our own domestic markets as well.

Still a third IPAA committee pointed out that the industry's costs had increased twice as fast as its revenue for the past 5 years.

Tie all of these reports together and you have a situation where the domestic oil producer's costs are going up and his markets and revenue are going down, while at the same time he is capable of producing more than he ever has before. This clearly indicates the squeeze which foreign oil is placing on domestic producers of oil. This is an incongruous and unfortunate situation from the standpoint of the national interest. A number of oil producing States have had their production allowables sharply reduced as a result of this situation.

You may ask why these States have reduced allowables to make way for foreign oil. The answer is simple. The various States, for purposes of wise conservation, have enacted statutes relating production to market demand. This prevents production in excess of market demand and avoids wasteful above-ground storage. Unfortunately, it also allows foreign oil, produced in vast quantity without similar problems of conservation, to usurp domestic markets.

The States are thus confronted with the choice of dropping a program which has again and again proven its value in conserving a valuable resource, or in keeping these conservation measures and losing their markets to foreign oil. It is an unhappy situation, from every point of view except that of the importing oil company.

Various methods have been attempted in trying to solve the oil imports problem. First, an attempt was made by domestic oil producers to point out to importers the necessity, from the national defense point of view, of a reduction in the volume of oil imports. This method was fruitless. Whether this was because of natural motivations, or pressure from the countries in which such oil is produced, or because of an over-enthusiasm as to the benefits of foreign oil, I do not know. I do know, however, that there has been no reduction of total oil imports. Quite the contrary, in fact. More important, top officials of importing oil companies have quite recently made it all too obvious that they have intentions of a far greater future importation of oil. Some of these statements are general in nature, but their meaning is nonetheless clear. Mr. B. Brewster Jennings, president of Socony-Vacuum Oil

Co., told his stockholders on April 29 that—

We in Socony-Vacuum believe that if our country will not import it cannot long export, and that the importance of our export trade to our domestic prosperity is too little appreciated.

Mr. Jennings here expresses an obvious and understandable concern for the volume of our exports, as related to his company's imports, but fails to note that oil imports exercise a direct detrimental effect on the domestic producer. Mr. Augustus C. Long, president of the Texas Co., speaking to stockholders on April 27, stated that, and I quote:

We are opposed to any additional restrictions on oil imports.

There are, as Mr. Long well knows, no effective restrictions on oil imports now. His opposition to future restrictions, coupled with the announcement by his company of a billion-dollar, 5-year expansion program, strongly suggests a long-range intention to import in larger volume. This is made further evident by the statement that—

It is our intent to support policies that will enable foreign nations to earn more dollars.

The Creole Petroleum Corp., the world's largest producing oil company, operating largely in Venezuela as a subsidiary of the Standard Oil Company of New Jersey, is now active in an extensive campaign to get the public support behind added imports of foreign oil. Its president, Arthur T. Proudft, has, according to the May 4 issue of the Journal of Commerce, scheduled addresses to groups in Chicago, Detroit, Los Angeles, Seattle, and a number of other cities. Other officials of this company have scheduled appearances through the Nation. This campaign was launched at an elaborate press luncheon in New York City and the announcement was made that it would be pursued through widespread media in all parts of the country.

For further insight into the reasons for the campaign behind foreign oil, the following paragraphs from the May issue of Petroleum Press Service, London, England, are especially enlightening:

Surveys of United States overseas investment made by the United States Department of Commerce show oil to be the most profitable of the major industries financed by United States capital in other countries. At the beginning of 1952, United States private investments abroad in all industries totaled \$13,089 million, and produced aggregate earnings for that year of \$2,280 million, or over 17 percent. Included in these figures are those covering oil operations, in which an investment of \$3,703 million produced a profit of \$1,031 million, or 27 percent. But today's value of many of the assets used will, of course, be much higher than the original investment figure.

In view of the points delineated above, there is no apparent encouragement of hope that oil imports will be voluntarily reduced.

Attempts have also been made, through the years, to achieve reductions through the administrative branch of the Government. The interpretation

of the trade agreements program, however, has been based on international diplomatic considerations, rather than on the impact of unrestricted free trade on our high production cost economy. As a result, the State Department has actively encouraged that dollars be sent overseas for foreign oil to bolster the economies of foreign countries. This has been somewhat of a good thing for our export industries, insofar as they could lure those dollars back in exchange for their surpluses. It has not, however, been good for some of our industries, especially extractive industries, where costs are somewhat fixed by nature rather than the production line. As a result, we have strengthened our production-line industries and weakened our extractive industries. This amounts to a weakening of our basic raw materials position to the benefit of industries where manpower is the primary determinant rather than materials. It is well established that in time of war the use of manpower can be directly controlled. If, however, the capacity to produce raw materials is impaired, this capacity cannot be turned on, in time of war, like a dormant faucet. Through the years, therefore, the administration's position in this regard has been painfully shortsighted.

The recent recommendations of the Randall Commission represent an extension of this philosophy. The same thesis was contained in the Bell report and in the report of the Paley Commission. Through the years various administrations have come to bat on this question many times, and hit a number of foul balls. It is time that someone met the question squarely.

As a sidelight, perhaps typical, of administrative manipulations of the oil imports problem, I would like to reveal the following excerpt from a directive, dated April 5, 1954, of the General Services Administration. I quote:

15. Buy American exemption: The Regional Director, Region 7, General Services Administration, having been duly authorized thereunto, has determined that crude petroleum is not produced in the United States in sufficient and reasonably available commercial quantities and, therefore, has exempted from the Buy-American Act petroleum fuels and petroleum lubricants.

Truly, some of our administrative officials rush in where angels fear to tread. The conclusion that this country is not capable of producing its own needs as to petroleum is in obvious contradiction of documented facts cited earlier. I serve notice here and now that it is my intention to request that this situation be investigated, and investigated to its fullest extent. This easy distortion of the clearly established facts should not go unchallenged.

Now to turn again to the oil imports problem. It is a current one. Foreign oil is scheduled to enter the country at an average rate of about 1,100,000 barrels per day during 1954. The recent arrival in Houston of a tanker from the Middle East with 100,000 barrels of crude

oil aboard dramatizes the plight of the domestic oil producer. The 6,000-barrel per day production rate of Middle Eastern oil wells, when contrasted with the 12-barrel daily rate of the domestic oil well, makes it further obvious that the situation will continue to intensify. The emergence of Canada as a potential large-scale exporter of crude oil to the United States; the impending return of Iranian oil; the almost complete loss of the domestic oil producers' export markets; the ever-increasing volume of crude oil entering this country from Venezuela and the Middle East; the quickening volume of United States importation of Mexican crude oil; the aforementioned statements of future intentions by heads of importing oil companies; the campaign by the Creole Petroleum Corp. in behalf of added oil imports. These, and many other signposts indicate the trouble that lies ahead for the domestic oil producing industry unless it is assured a ratio of domestic peacetime markets somewhat comparable to the certain demands on the industry in time of war.

Congress can provide that assurance.

Unless there is a dramatic reversal of the philosophy of importing oil companies or of the executive branch of Government, the Congress will be the last court of resort for such a provision. It would not be the first time that Congress has so served. In 1932, the Congress passed an excise tax on oil imports. The administration of the law, under the trade agreements program, has resulted in continuous reductions in the amount of the excise tax on crude petroleum. In 1933, the year following imposition of the import tax, the rate was 21 cents per barrel or 31.3 percent of the price of crude oil at that time. In 1953, the year following the revised trade agreement with Venezuela, the tax averaged only 9.7 cents per barrel, or 3.6 percent of the average price for crude oil.

The tax is now completely ineffectual. It has been made so by administrative whittling down of wise legislative provisions, in the guise of global diplomatic considerations. The intent of Congress has thus been effectively destroyed.

The problem of oil imports has nothing to do with party lines. It is bipartisan in nature and is of vital concern to all of the people in all of the various parts of the country.

The fate of the domestic oil-producing industry may very well rest in the hands of this or the succeeding Congress. Whether oil is to add to the economy of new oil-producing States, or to detract from the economies of old ones may be the result of congressional decision.

One thing is certain. The domestic oil-producing industry cannot continue to maintain a large excessive capacity to produce, while foreign oil enters the country without the need for a similar responsibility. It cannot conserve, while foreign oil plays wastrel. It cannot exist while foreign oil acts in the role of court favorite. Something must give, and un-

less the Congress acts, it will be the domestic oil-producing industry.

This problem will surely necessitate congressional consideration in the near future. I urge that we ponder all of its aspects, and ponder them well.

LIBERATION AND INDEPENDENCE OF THE SLOVAK NATION

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Ohio [Mr. FEIGHAN] is recognized for 10 minutes.

Mr. FEIGHAN. Mr. Speaker, on the occasion of the annual meeting of the National Conference of Americans of Slovak Descent now taking place at the Washington Hotel in this city, I believe it is fitting and appropriate to extend recognition to the proceedings of this American body which are aimed at securing the liberation and independence of the Slovak nation and other captive nations in the primary interest of America's struggle against Communist imperialism.

I should like to bring to the attention of the Members of the House the chief excerpts from an address delivered yesterday at this conference by Dr. Lev E. Dobriansky, professor at Georgetown University and president of the Ukrainian Congress Committee of America, entitled "Liberation, Independence, Federation." The address supports the need for a firm policy of liberation cast in the logical policy chain of independence and eventual free federation of European and Asiatic states.

What is of most serious concern are the observations made in the address on the easy Communist infiltration of what the speaker calls the totalitarian and anti-Semitic Russian organization known as the NTS. The speaker cites certain cases of this easy infiltration and suggests that the hearing of the Senate Internal Security subcommittee last week was a publicity cover-up for these disclosures of recent months engineered by interested but sorely embarrassed American supporters. He raises the question of whether the Senate subcommittee on internal security intends to hear representatives of real underground networks behind the Iron Curtain. From my own personal study, I know that there are two sides to this question. One is the Russian side and the other is the side of the millions of non-Russians who are enslaved by Russian Communist imperialism. It is certainly in the interest of the Government to hear both sides.

Under unanimous consent, I am including in my remarks excerpts from Dr. Dobriansky's stimulating address and a revealing article that appeared in the May 20 issue of America, Ukrainian Catholic organ in Philadelphia, entitled "Danger—Why NTS Cannot Be Trusted."

ADDRESS OF DR. LEV E. DOBRIANSKY

In 1952 millions of Americans voted in the great hope of seeing a moral and rational

policy of liberation launched to prevent a disastrous world war III and, at the same time, to insure the eventual defeat of Russian Communist imperialism. As of today, there isn't the slightest realization of this outstanding promise. And it cannot be expected that the people will forget.

No matter how one dresses it up verbally, the foreign policy of the United States today is still containment. The so-called policy of mass retaliation is essentially containment by threat. This retaliation version of containment is as devoid of moral principle, political and psychological inspiration, and historical perspective as the orthodox version maintained by Mr. Kennan and his well placed followers.

Dedicated to liberation and the links of independence and federation in the same policy chain, we must intensify our efforts to bring this winning policy into being. We must support those who are for this American policy, and oppose those who are against it. It is the only policy capable of obstructing the genocidal consolidation of the Communist empire in which Moscow is currently engaged. Once this consolidation is accomplished, the enemy will have established his basic and requisite position for world conquest. This consolidation is the prime ground for the enemy's reasonable expectation of success. Fortified by the advantages of a worldwide conspiracy and "the first shot," this expectation does not even require any superiority in arms. In the calculus of world conquest, consolidation, subversion, and spontaneous aggression are sufficient to produce "regionalized Pearl Harbors" devastating major sources of retaliatory effort.

Liberation is a process of political warfare aimed at the ultimate defeat of the enemy and the independence of captive nations as a necessary and logical basis for European and Asiatic reconstruction. History does not stand still. The dynamics of Western freedom and Russian Communist totalitarianism leave us no choice but to carry political warfare on the present empire terrain of the enemy. By the standards of what constitutes peace today, this action is peaceable. It demands our full, active support of the real, existing undergrounds and resistance forces in Slovakia, East Germany, Poland, Czechia, Rumania, Hungary, Bulgaria, and Ukraine. These known underground forces are fighting in a political offensive to regain the very independence and self-government for their respective nations that we must fight in to preserve for our own.

Theirs is not an ersatz struggle. Last week we witnessed the spectacle of a Senate committee entertaining testimony pitched to an underground tour from the Baltic to the Mediterranean. There is a good deal of evidence to support the lack of credibility in such testimony and brazenly fabricated claims that border on insult to the intelligence of the American people. Observers are carefully watching to see whether the Jenner committee intends to call upon witnesses that represent real underground networks and who can expertly testify on the misleading and dishonest operations of the totalitarian and anti-Semitic Russian organization known as the NTS.

They are also waiting to see whether this bold spectacle before a congressional committee is nothing more than a blown, publicity coverup—engineered by interested but sorely embarrassed American supporters—of the recent cases of heavy Communist infiltration in the group. A Russian priest and NTS leader in West Berlin, Matyslav Volonsevich, defected to the Soviets with all the addresses of his parishioners and the funds of the church. Georg Mueller, alias Georg Vladimir Khorunzky-Khersonsky, another NTS leader, was recently given a prison sentence by a United States court in Frankfurt

for operating as a Soviet spy. There is also the case of Alexander Trushnovich about whom much doubt exists concerning his being kidnaped by the Communists.

On the surface this spectacle has all the marks of a publicity coverup tuned to the gullibility of viewers in such matters. There can be no doubt, however, that this totalitarian Russian group, which opportunistically operated with nazism as it now seeks to do with the West, is a prime target for Communist infiltration. The totalitarianism of NTS shares many things in common with the totalitarianism of Moscow, notably totalitarian great Russianism with all its racist and freedom-denying qualities. The group is the best possible breeding ground for Soviet Russian spies and, as seen in the Khersonsky case, an agency of espionage for Moscow. It scarcely deserves our trust. Even the Nazis, in the closing days of the war, saw fit to slay scores of its members.

The enlightened nationalist cause of the Slovak, Polish, Ukrainian, and other resisters certainly restricts the range of possible Russian Communist infiltration. It is based on the invincible fight for national independence and freedom from alien Russian domination. This is its consuming end, not that of substituting one form of totalitarianism with an empire complex for another with the same complex. It seeks the national independence that we Americans enjoy and are now challenged to defend.

This spirit of national independence is the full source of power and strength of the patriotic, non-Russian resister behind the Iron Curtain. It is our means of victory over Russian Communist imperialism. It is our formula of enduring peace beyond the defeat of communism. For only with real independence and equal sovereignty can the now captive nations, from the Danube to the Pacific, begin to think of entering into free contracts of federalization. The experience of Indochina should convince us that peoples fight for something rather than merely against communism.

We who are of these convictions must work tirelessly for their realization. This is our task in the great interest of our own country. To aid in this task, it is necessary for us to establish an American Conference on Foreign Affairs, consisting of American organizations such as yours, the Polish American Congress, the Ukrainian Congress Committee, and others, that would meet annually to discuss and assess our common problems. I sincerely hope that the inspiration for this will be generated here today.

[From America, Philadelphia, Pa., of May 20, 1954]

DANGER—WHY NTS CANNOT BE TRUSTED

For the past few months the newspapers of the free world have been replete with sensational information and reports about the NTS—a Russian emigre organization in Western Germany. Three incidents especially which occurred almost at the same time deeply moved public opinion: the escape to the Soviets of Archmandrite Matyslav Volonsevich, priest of the Russian Orthodox Church in Western Berlin, the arrest and trial by the United States authorities of Georg Mueller, alias Georg Vladimir Khorunzky-Khersonsky and escape, or kidnaping of Alexander Trushnovich in Western Berlin. Now the defection of MVD Cpt. Nikolai Evgenyevich Khokhlov has again brought the NTS in the news.

There is no doubt that Matyslav Volonsevich escaped to the Soviets. This Russian "priest" and NTS leader in Western Berlin took all the addresses of his parishioners as well as 600 marks belonging to the parish and escaped to the Soviet sector of Berlin. However, an event of cardinal importance was the

arrest by the United States authorities in Germany of Georg Mueller, alias Georg Vladimir Khorunzky-Khersonsky, top notch Soviet spy. While spying against the American Armed Forces in Germany, Mueller operated at the same time as a leader of the NTS. He was also a professor in a school of saboteurs and intelligence agents maintained by the NTS in Bad Homburg in Germany. As a leader of prominent anti-Communist underground—NTS, he sent four intelligence agents behind the Iron Curtain whom he betrayed to the Soviets and who were caught and executed in Ukraine, in May 1953.

This case was widely reported by the newspapers. On January 22, 1954, Georg Mueller-Khorunzky-Khersonsky was convicted and sentenced by the United States court in Frankfurt to 14 years imprisonment. As to Alexander Trushnovich—another prominent leader of the NTS in Berlin—the opinion is divided. Some people think that he escaped to the Soviets, other people believe that he was kidnaped by the Soviet agents. The question as to who kidnaped whom is still not solved in Berlin, although the Soviets announced two declarations of Trushnovich stating his motives of defecting to the Soviet side.

At any case, all these incidents have prominently brought the Russian emigre organization NTS in the news. The NTS stands for the *Natsionalno-Trudovoy Soyuz* (National Labor Union). As defined by its constitution, the NTS is a Russian national movement aiming at replacing the Soviet regime with a new kind of government, called *Solidarist*. The organization claims to have originated in 1930, in Yugoslavia, but, in fact, it developed under the Nazi tutelage when the Russian *Solidarists* copied the Nazi program and made propaganda for Russian totalitarian antibolshevism and the cult of a Russian *fuehrer*. One of their ideas, then, was to reestablish in Russia a pale of Jewish settlement zones as existed under the Russian czars. In the days of General Vlassov the NTS served as an ideological front for the Himmler sponsored Russian liberation army (ROA). During the last months of Nazi power, however, neither the NTS nor the Vlassov army enjoyed the full confidence of the Nazis, as it was revealed that many NTS members were actually Soviet spies.

When the cold war between the United States and the U. S. S. R. began NTS leaders raised their heads again and began peddling their goods to the Americans. While their leaders in Europe (Victor Baidalakov and Vladimir Poremsky), both of whom served the Nazis, were doing their utmost to impress the United States authorities with their "anti-Communist technique," some of their best "technicians" were being sent to the United States. Since the fall of 1948 the NTS in the United States has been represented by Constantine W. Boldyreff, a former interpreter for the Nazis and NTS leader. He made his debut in the American scene with the publication of an article in *Look* magazine (October 26, 1948), in which he made the fantastic claim that the assassination of Sergei Kirov in Leningrad, in 1934, was engineered by the NTS. He also said that with \$100 million he could overthrow Stalin's regime with his underground NTS force. Subsequently, with the assistance of a senior editor of *Reader's Digest*, Boldyreff planted an article in this nationally esteemed American magazine where he attempted to sell his anti-Communist revolution in the U. S. S. R. for American dollars. Finally, in February of 1952, he befuddled two well-meaning and religiously inspired United States Congressmen from the Middle West into backing an NTS-inspired psychological strategy conference, which entirely failed. Robert Shaplen supported NTS whole-

heartedly in Collier's (February 23, 1952) by publishing his now famous article, *They're Sticking Stalin With a Pitchfork*. By the way, under "pitchfork" "trident" was meant—a Ukrainian national emblem which the Russian Solidarists use as their party emblem. In this article Shaplen called NTS "a shock troop of revolution." Of course, Boldyreff was not only busy with his NTS propaganda, but he also succeeded in planting several of his lieutenants in key positions in the United States: the Voice of America, the American Committee for Liberation From Bolshevism; various research teams of Columbia and Harvard Universities, and in other United States-supported Russian teams in the United States and in Germany.

There is little doubt that some of our officials have been deeply influenced by the NTS and its propaganda. The question remains: How long are we going to be fooled by them? Have we not been taught a trenchant lesson by all the Harry Dexter Whites, Gregory Silvermasters, and other Americans with Russian souls and ideology? Now, when the Bolshevik infiltration and tendency in the NTS ranks has become an indisputable fact, perhaps some of our responsible officials will put a stop to the machinations of our Russian experts and will call a halt to their naive and extremely dangerous coddling of the NTS—these Janus-like Russian revolutionaries. When this happens—and only then—might we rest assured that the affair of Georg Mueller and many others of the NTS has been an effective lesson. Not for a moment should we forget that the Russian Bolsheviks and Russian Solidarists have a great deal in common: Russian nationalism and Russian imperialism—the two generating factors that have made Russia what she is today, and hence it is exceedingly easy for a Russian Bolshevik to become a Russian Solidarist and vice versa.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. PELLY.

Mr. CRUMPACKER.

Mr. BLATNIK in two instances.

Mr. SIEMINSKI.

Mr. RABAUT.

Mr. HESS (at the request of Mr. ARENDS).

Mr. HELLER (at the request of Mr. KLEIN).

Mr. Bow and include extraneous matter.

Mr. RHODES of Pennsylvania.

Mr. HOWELL.

SENATE BILLS, A JOINT RESOLUTION, AND A CONCURRENT RESOLUTION REFERRED

Bills, a joint resolution, and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 46. An act for the relief of E. S. Berney; to the Committee on the Judiciary.

S. 885. An act to provide for the disqualifications of certain former officers and employees of the District of Columbia in matters connected with former duties; to the Committee on the District of Columbia.

S. 914. An act for the relief of Mark Vainer; to the Committee on the Judiciary.

S. 974. An act for the relief of certain Chinese children; to the Committee on the Judiciary.

S. 992. An act for the relief of Apostolos Savvas Vassiliadis; to the Committee on the Judiciary.

S. 1165. An act for the relief of Paul E. Rocke; to the Committee on the Judiciary.

S. 1382. An act for the relief of Elie Joseph Hamkin and family; to the Committee on the Judiciary.

S. 1403. An act to authorize the Public Utilities Commission of the District of Columbia to regulate and condition the declaration and payment of dividends by public utilities in the District of Columbia; to the Committee on the District of Columbia.

S. 1889. An act for the relief of Margot Goldschmidt; to the Committee on the Judiciary.

S. 1900. An act for the relief of Gertrud Trindler O'Brien; to the Committee on the Judiciary.

S. 1902. An act for the relief of Theresa Elizabeth Leventer; to the Committee on the Judiciary.

S. 1904. An act for the relief of Otilie Theresa Workmann; to the Committee on the Judiciary.

S. 1959. An act for the relief of Mrs. Anne-Marie Namias; to the Committee on the Judiciary.

S. 1967. An act for the relief of Paula Neumann Mahler (Paula Neumann Schibuk); to the Committee on the Judiciary.

S. 1991. An act for the relief of Esperanza Jimenez Trejo; to the Committee on the Judiciary.

S. 2009. An act for the relief of Mrs. Edward E. Jex; to the Committee on the Judiciary.

S. 2172. An act to amend the act entitled "An act to regulate the practice of veterinary medicine in the District of Columbia," approved February 1, 1907; to the Committee on the District of Columbia.

S. 2654. An act to authorize the Commissioners of the District of Columbia to sell certain property owned by the District of Columbia located in Montgomery County, Md., and for other purposes; to the Committee on the District of Columbia.

S. 2657. An act to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia"; to the Committee on the District of Columbia.

S. 2661. An act to regulate the sale of shell eggs in the District of Columbia; to the Committee on the District of Columbia.

S. 2786. An act granting the consent and approval of Congress to the southeastern interstate forest-fire protection compact; to the Committee on Agriculture.

S. 3103. An act to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941; to the Committee on the Judiciary.

S. 3137. An act to make the provisions of the act of August 28, 1937, relating to the conservation of water resources in the arid and semiarid areas of the United States, applicable to the entire United States, and to increase and revise the limitation on aid available under the provisions of said act, and for other purposes; to the Committee on Agriculture.

S. 3213. An act relating to the merger of the Columbus University of Washington, D. C., into the Catholic University of America, pursuant to an agreement of the trustees of said universities; to the Committee on the District of Columbia.

S. 3458. An act to authorize the long-term time charter of tankers by the Secretary of

the Navy, and for other purposes; to the Committee on Armed Services.

S. J. Res. 156. Joint resolution providing for acceptance by the United States of America of an instrument for the amendment of the constitution of the International Labor Organization; to the Committee on Foreign Affairs.

S. Con. Res. 83. Concurrent resolution favoring the suspension of deportation in the case of certain aliens; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. LeCOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1345. An act for the relief of John Lampropoulos;

H. R. 1705. An act authorizing the Secretary of the Interior to issue a patent in fee to Jesse Bell;

H. R. 1769. An act for the relief of Mrs. Oscar F. Brown;

H. R. 1772. An act for the relief of Kenneth R. Kleinman;

H. R. 1815. An act to amend the Recreation Act of June 14, 1926, to include other public purposes and to permit nonprofit organizations to lease public lands for certain purposes;

H. R. 2022. An act for the relief of Don B. Whelan;

H. R. 2433. An act for the relief of the legal guardian of Raymond Gibson, a minor;

H. R. 3041. An act to authorize the Secretary of the Interior to transfer to Frederick W. Lee the right, title, and interest of the United States in and to a certain invention;

H. R. 3109. An act for the relief of Theodore W. Carlson;

H. R. 4532. An act for the relief of Mrs. Ann Elizabeth Caulk;

H. R. 4940. An act to provide for the redemption of District of Columbia tax stamps;

H. R. 4961. An act for the relief of Mrs. James J. O'Rourke;

H. R. 4996. An act for the relief of Col. Henry M. Denning, and others;

H. R. 5772. An act for the relief of Robert E. Leibbrand, and Rose Leibbrand; and

H. R. 7786. An act to honor veterans on the 11th day of November of each year, a day dedicated to world peace.

BILLS PRESENTED TO THE PRESIDENT

Mr. LeCOMPTE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 6374. An act to revise certain laws relating to warrant officers of the Army, Navy, Air Force, Marine Corps, and Coast Guard, and for other purposes; and

H. R. 7893. An act making appropriations for the Treasury and Post Office Departments, Export-Import Bank of Washington, and Reconstruction Finance Corporation for the fiscal year ending June 30, 1955, and for other purposes.

ADJOURNMENT

Mr. NEAL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 42 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 26, 1954, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from Speaker's table and referred as follows:

1569. A letter from the Acting Comptroller General of the United States, transmitting a report on the audit of Federal Deposit Insurance Corporation for the fiscal year ended June 30, 1953, pursuant to section 17 (b) of the Federal Deposit Insurance Act (12 U. S. C. 1827) (H. Doc. No. 402); to the Committee on Government Operations and ordered to be printed.

1570. A letter from the Acting Secretary of the Treasury, transmitting information about a violation by a Treasury bureau of subsection (h) of section 3679 of the Revised Statutes, pursuant to subsection (1) of section 3679 of the Revised Statutes, as amended (31 U. S. C., Sup. V665); to the Committee on Appropriations.

1571. A letter from the Director, Office of Defense Mobilization, Executive Office of the President, transmitting the semiannual stockpile report to the Congress for the period July 1 to December 31, 1953, pursuant to section 4 of the Strategic and Critical Materials Stock Piling Act, Public Law 520, 79th Congress; to the Committee on Armed Services.

1572. A letter from the Secretary of the Air Force, transmitting a draft of legislation entitled "A bill to further amend title II of the Career Compensation Act of 1949, as amended, to provide for the computation of reenlistment bonuses for members of the uniformed services"; to the Committee on Armed Services.

1573. A letter from the Secretary of Commerce, transmitting the annual report of the Foreign-Trade Zones Board for the fiscal year ended June 30, 1953, together with the reports covering the operations during the same period of foreign-trade zones Nos. 1, 2, 3, 4, 5, and 6 located, respectively, at New York City, New Orleans, San Francisco, Los Angeles, Seattle, and San Antonio, pursuant to section 16 of the Foreign-Trade Zones Act of June 18, 1934, as amended by Public Law 556, 81st Congress, approved June 17, 1950; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOFFMAN of Michigan: Committee on Government Operations. Fifteenth intermediate report on Government in business; without amendment (Rept. No. 1672). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOFFMAN of Michigan: Committee on Government Operations. Sixteenth intermediate report on personnel practices of the Department of State; without amendment (Rept. No. 1673). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOFFMAN of Michigan: Committee on Government Operations. Seventeenth intermediate report on military procurement of blood-shipping containers; without

amendment (Rept. No. 1674). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. S. 1823. An act to allow credit in connection with certain homestead entries for military or naval service rendered during the Korean conflict, and for other purposes; without amendment (Rept. No. 1676). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 5958. A bill relating to the administrative jurisdiction of certain public lands in the State of Oregon, and for other purposes; with amendment (Rept. No. 1677). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 8328. 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; with amendment (Rept. No. 1678). Referred to the Committee of the Whole House on the State of the Union.

Mr. SHORT: Committee on Armed Services. H. R. 9242. A bill to authorize certain construction at military and naval installations and for the Alaska Communications System, and for other purposes; without amendment (Rept. No. 1679). Referred to the Committee of the Whole House on the State of the Union.

Mr. ALLEN of Illinois: Committee on Rules: House Resolution 558. Resolution providing for the consideration of H. R. 9242, a bill to authorize certain construction at military and naval installations and for the Alaska Communications System, and for other purposes; without amendment (Rept. No. 1680). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONAS of Illinois: Committee on the Judiciary. H. R. 7886. A bill for the relief of Mrs. Cecil Norton Broy, with amendment (Rept. No. 1675). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LAIRD:
H. R. 9267. A bill to provide an adequate, balanced, and orderly flow of milk and dairy products in interstate and foreign commerce, to stabilize prices of milk and dairy products, and for other purposes; to the Committee on Agriculture.

By Mr. ALLEN of California:
H. R. 9268. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BATES:
H. R. 9269. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BENNETT of Florida:
H. R. 9270. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to

the Committee on Merchant Marine and Fisheries.

By Mr. BOYKIN:
H. R. 9271. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. CAMPBELL:
H. R. 9272. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. COLMER:
H. R. 9273. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DOYLE:
H. R. 9274. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. HOLT:
H. R. 9275. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. HOSMER:
H. R. 9276. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. KING of California:
H. R. 9277. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LANE:
H. R. 9278. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LANTAFF:
H. R. 9279. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LIPSCOMB:
H. R. 9280. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MACK of Washington:
H. R. 9281. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MAILLIARD:
H. R. 9282. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MATTHEWS:
H. R. 9283. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. McCORMACK:
H. R. 9284. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. McDONOUGH:
H. R. 9285. A bill to protect United States fishermen in their lawful operations on the

high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. McMILLAN:

H. R. 9286. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MILLER of California:

H. R. 9287. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MILLER of Maryland:

H. R. 9288. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. NICHOLSON:

H. R. 9289. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. NORBLAD:

H. R. 9290. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. O'NEILL:

H. R. 9291. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. PELLY:

H. R. 9292. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. PHILLIPS:

H. R. 9293. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. PRESTON:

H. R. 9294. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. SCUDDER:

H. R. 9295. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. SIKES:

H. R. 9296. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. THOMPSON of Texas:

H. R. 9297. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. TOLLEFSON:

H. R. 9298. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. UTT:

H. R. 9299. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. WESTLAND:

H. R. 9300. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. WILSON of California:

H. R. 9301. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BENNETT of Florida:

H. R. 9302. A bill to permit retired members of the uniformed services to revoke elections made under the Uniformed Services Contingency Option Act of 1953 in certain cases where the elections were made because of mathematical errors or misinformation; to the Committee on Armed Services.

By Mr. BENNETT of Michigan:

H. R. 9303. A bill to extend the time for initiating a course of education or training under Public Law 550, 82d Congress; to the Committee on Veterans' Affairs.

By Mr. BERRY:

H. R. 9304. A bill to authorize and direct the Indian Claims Commission to determine the liability for the engagement in the vicinity of Wounded Knee, S. Dak., on December 29, 1890, and make recommendations in respect thereto; to the Committee on Interior and Insular Affairs.

H. R. 9305. A bill to amend the Internal Revenue Code to provide that the tax on admissions shall not apply in the case of admissions to certain rodeos; to the Committee on Ways and Means.

By Mr. CLARDY:

H. R. 9306. A bill to provide punishment for the making of false statements in any application for employment in a defense plant, or in any facility with knowledge that it is likely to become a defense plant; to the Committee on the Judiciary.

By Mr. COON:

H. R. 9307. A bill to provide for the cooperation in financing and prosecuting early development of the John Day project on the Columbia River, Oreg. and Wash., for navigation, irrigation, flood control, and power production; to the Committee on Public Works.

By Mr. DEMPSEY:

H. R. 9308. A bill authorizing the construction of certain improvements in the Rio Hondo Basin, N. Mex., for flood control; to the Committee on Public Works.

By Mr. EBERHARTER:

H. R. 9309. A bill to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages, cigarettes, cigars, smoking tobacco, or chewing tobacco; to the Committee on Interstate and Foreign Commerce.

By Mr. GUBSER:

H. R. 9310. A bill to provide that the authority of the Commissioner of Education to contract for research in the field of education shall include the authority to contract for research into the narcotic-addiction problem; to the Committee on Education and Labor.

By Mr. HELLER:

H. R. 9311. A bill to strengthen the unemployment-insurance system, broaden social security, increase the minimum wage, extend tax reduction to low-income groups, provide for low-rent housing, and establish a program of public works; to the Committee on Ways and Means.

By Mr. JONES of Missouri:

H. R. 9312. A bill to provide for modification of the Birds Point-New Madrid floodway; to the Committee on Public Works.

By Mr. PRESTON:

H. R. 9313. A bill to amend section 204a of the Interstate Commerce Act with respect

to recovery of a reasonable counsel or attorney's fee in case of successful maintenance of an action for recovery of overcharges; to the Committee on Interstate and Foreign Commerce.

By Mr. REAMS:

H. R. 9314. A bill to amend the Civil Service Retirement Act of May 29, 1930, to permit the employment by the Post Office Department during the month of December of annuitants under such act who are former employees of such Department; to the Committee on Post Office and Civil Service.

By Mr. REED of New York:

H. R. 9315. A bill to provide for an extension on a reciprocal basis of the period of the free entry of Philippine articles in the United States; to the Committee on Ways and Means.

By Mrs. ST. GEORGE:

H. R. 9316. A bill relating to the renewal of contracts for the carrying of mail on star routes; to the Committee on Post Office and Civil Service.

H. R. 9317. A bill to prohibit the transmission through the mails at less than cost of publications, books, other printed matter, and films containing material contrary to the best interests of the United States; to the Committee on Post Office and Civil Service.

By Mr. SIMPSON of Pennsylvania:

H. R. 9318. A bill to provide for the construction of a project for flood control protection at Huntingdon, Pa.; to the Committee on Public Works.

H. R. 9319. A bill to provide for the construction of a project for flood control protection at Smithfield Township, Pa.; to the Committee on Public Works.

H. R. 9320. A bill to provide for the construction of a project for flood control protection at Mount Union, Pa.; to the Committee on Public Works.

H. R. 9321. A bill to provide for the construction of a project for flood-control protection at Everett, Pa.; to the Committee on Public Works.

By Mr. VAN ZANDT:

H. R. 9322. A bill to amend Veterans Regulation No. 9 (a) so as to increase the limit of amounts payable thereunder in connection with the funeral and burial of deceased veterans; to the Committee on Veterans' Affairs.

By Mr. WARBURTON:

H. R. 9323. A bill to incorporate the American Association of Firemen; to the Committee on the Judiciary.

H. R. 9324. A bill to incorporate the National Academy of Chefs; to the Committee on the Judiciary.

By Mr. WOLVERTON (by request):

H. R. 9325. A bill to amend sections 2 (a), 6 (a), and 9 (d) of the Federal Airport Act, as amended; to the Committee on Interstate and Foreign Commerce.

H. R. 9326. A bill to amend section 10 (f) of the Federal Power Act to provide that charges shall be paid by Federal power projects which are benefited by stream improvements constructed by other parties, the payment to be determined in the same manner as for charges to be paid by non-Federal interests, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 9327. A bill to amend the act relating to the administration of the Washington National Airport, to incorporate the Washington National Airport Corp. and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. FRANCES P. BOLTON:

H. Con. Res. 236. Concurrent resolution extending the congratulations of the Congress to Nurse Genevieve de Galard-Terraube; to the Committee on Foreign Affairs

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS:

H. R. 9328. A bill for the relief of Hannelore Weber and her minor child; to the Committee on the Judiciary.

By Mr. CELLER:

H. R. 9329. A bill for the relief of Bent Petersen; to the Committee on the Judiciary.

By Mr. GUBSER:

H. R. 9330. A bill for the relief of Matilde T. Bariao; to the Committee on the Judiciary.

By Mr. McMILLAN:

H. R. 9331. A bill for the relief of Constantinos Tsiolkas; to the Committee on the Judiciary.

By Mr. MARTIN of Iowa:

H. R. 9332. A bill for the relief of Mrs. Lieselotte Emilie Dailey; to the Committee on the Judiciary.

By Mr. OSTERTAG:

H. R. 9333. A bill for the relief of Erika Barbera; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 9334. A bill for the relief of Walter W. Flora and Mildred L. Flora, doing business as Flora Engineering Co.; to the Committee on the Judiciary.

By Mrs. ST. GEORGE:

H. R. 9335. A bill for the relief of Grietje Visser Verhoeve Vander Molen; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 9336. A bill for the relief of Marianne Geymeier; to the Committee on the Judiciary.

By Mr. WESTLAND:

H. R. 9337. A bill for the relief of Swami Shivananda; to the Committee on the Judiciary.

PETITIONS, ETC.

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

889. By Mrs. CHURCH: Resolution adopted by the City Council of the City of Chicago urging the incorporation of the words "under God" in the pledge of allegiance to the flag of the United States; to the Committee on the Judiciary.

890. By Mr. CRETELLA: Petition of Rubie Berger and others favoring the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

891. By Mr. DONDERO: Petition of citizens of Oakland County, Mich., urging favorable action by the House of Representatives of H. R. 1227, to prohibit the transportation of periodicals, letters, etc., carrying alcoholic-beverages advertising in interstate commerce and to prevent its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

892. By Mr. GRAHAM: Petition of 65 residents of Ellwood City, Pa., urging passage of the Bryson bill, H. R. 1227, to prohibit the transportation in interstate commerce of alcoholic-beverage advertising in newspapers, periodicals, etc., and its broadcasting over radio and television; to the Committee on Interstate and Foreign Commerce.

893. By Mr. GARY: Petition of S. T. Dowdy and 19 other citizens of Richmond, Va., deploring the dangerous influence of sales talk for alcoholic beverages being broadcast and urging legislative prohibition of such advertising by approval of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

894. Also, petition of Mrs. H. S. Dodge and 31 other citizens of Chester, Va., deploring the dangerous influence of sales talk for alcoholic beverages being broadcast and urg-

ing legislative prohibition of such advertising by approval of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

895. Also, petition of Mrs. Herbert W. Phillips and 128 other citizens of Richmond, Va., deploring the dangerous influence of sales talk for alcoholic beverages being broadcast and urging legislative prohibition of such advertising by approval of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

896. Also, petition of Harold T. Goyne and 28 other citizens of Chester, Va., deploring the dangerous influence of sales talk for alcoholic beverages being broadcast and urging legislative prohibition of such advertising by approval of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

897. Also, petition of Mrs. E. L. Edwards and 17 other citizens of Richmond, Va., deploring the dangerous influence of sales talk for alcoholic beverages being broadcast and urging legislative prohibition of such advertising by approval of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

898. Also, petition of Mrs. Herbert W. Phillips and 57 other citizens of Richmond, Va., deploring the dangerous influence of sales talk for alcoholic beverages being broadcast and urging legislative prohibition of such advertising by approval of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

899. Also, petition of Mrs. A. L. Burton and 26 other citizens of Richmond, Va., deploring the dangerous influence of sales talk for alcoholic beverages being broadcast and urging legislative prohibition of such advertising by approval of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

900. Also, petition of Miss Ida Bilger and 45 other citizens of Richmond, Va., deploring the dangerous influence of sales talk for alcoholic beverages being broadcast and urging legislative prohibition of such advertising by approval of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

901. Also, petition of Mrs. Lucile S. Love and 32 other citizens of Chester, Va., deploring the dangerous influence of sales talk for alcoholic beverages being broadcast and urging legislative prohibition of such advertising by approval of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

902. Also, petition of C. Roy Everett, Jr., and 26 other citizens of Richmond, Va., deploring the dangerous influence of sales talk for alcoholic beverages being broadcast and urging legislative prohibition of such advertising by approval of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

903. Also, petition of George N. Valentine and 64 other citizens of Richmond, Va., deploring the dangerous influence of sales talk for alcoholic beverages being broadcast and urging legislative prohibition of such advertising by approval of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

904. Also, petition of Mr. and Mrs. Josiah N. Walker, and 26 other citizens of Richmond, Va., deploring the dangerous influence of sales talk for alcoholic beverages being broadcast and urging legislative prohibition of such advertising by approval of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

905. Also, petition of Mr. James R. Cope-land and 83 other citizens of Richmond, Va., deploring the dangerous influence of sales talk for alcoholic beverages being broadcast

and urging legislative prohibition of such advertising by approval of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

906. By Mr. MARTIN of Iowa: Petition of 17 citizens of Wellman, Iowa, in the interest of H. R. 1227; to the Committee on Interstate and Foreign Commerce.

907. By Mr. MARTIN of Massachusetts: Petition of Mrs. E. A. Alm and other residents of Massachusetts in support of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

908. Also, petition of Mrs. Idella Hewin and other residents of Massachusetts in support of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

909. Also, petition of Mr. Frank C. Seymour and other residents of Massachusetts in support of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

910. By Mr. MASON: Petition of Mrs. Amanda B. Cleal and 29 other members of the Woman's Christian Temperance Union of Streator, Ill., supporting the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

911. By Mr. PHILBIN: Petition of Mrs. G. L. Hazelton and others favoring the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

912. By Mr. SMITH of Virginia: Petition of Mrs. L. H. Taylor, of Lincoln, Va., and other citizens of Loudoun County, Va., in the Eighth Congressional District, in support of H. R. 1227; to the Committee on Interstate and Foreign Commerce.

913. By Mr. STAGGERS: Petition of Wendell C. Mathias and 61 other citizens of Mathias, W. Va., and nearby communities, urging the enactment of H. R. 1227, to prohibit all liquor advertising through interstate commerce and over the radio and television; to the Committee on Interstate and Foreign Commerce.

914. Also, petition of Vernon M. Wilkins and 38 other citizens of Moorefield, W. Va., and nearby communities, urging the enactment of H. R. 1227, to prohibit all liquor advertising through interstate commerce and over the radio and television; to the Committee on Interstate and Foreign Commerce.

915. By Mr. TABER: Petition of Olive O. Hammer and others favoring the Bryson bill H. R. 1227; to the Committee on Interstate and Foreign Commerce.

916. By the SPEAKER: Petition of Joseph Prime and others, Brooklyn, N. Y., relative to being in support of House Joint Resolution 243, to incorporate the words "under God" in the pledge of allegiance to the flag of the United States; to the Committee on the Judiciary.

917. Also, petition of Arthur R. Somers and others, Brooklyn, N. Y., relative to being in support of House Joint Resolution 243, to incorporate the words "under God" in the pledge of allegiance to the flag of the United States; to the Committee on the Judiciary.

918. Also, petition of Edward J. McCann and others, Brooklyn, N. Y., relative to being in support of House Joint Resolution 243, to incorporate the words "under God" in the pledge of allegiance to the flag of the United States; to the Committee on the Judiciary.

919. Also, petition of Lawrence Lohrer and others, Valley Stream, N. Y., relative to being in support of House Joint Resolution 243, to incorporate the words "under God" in the pledge of allegiance to the flag of the United States; to the Committee on the Judiciary.

920. Also, petition of Joseph Sulenski and others, Maspeth, N. Y., relative to being in support of House Joint Resolution 243, to incorporate the words "under God" in the pledge of allegiance to the flag of the United States; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Selling to Navy Prime Contractors

EXTENSION OF REMARKS

OF

HON. WILLIAM E. HESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1954

Mr. HESS. Mr. Speaker, I feel the Members of Congress will be interested in the recently issued second edition of the booklet *Selling to Navy Prime Contractors*, proposed as an aid to small business. I would like to call it to public attention.

In order for small business to obtain a greater share of Government business, I think we must recognize that the basic initiative must come from business itself. The Government is not equipped to search out every individual business concern somewhere in the United States for each particular contract or subcontract that may be available.

Nevertheless, there are certain things which the Government can do to make it easier for small business to exercise its initiative by finding out what prime contracts and subcontracts are available. If there is a sufficient dissemination of this information, then small-business concerns everywhere can bid on and obtain the contracts and subcontracts for which they are best qualified. The issuance of this new edition of *Selling to Navy Prime Contractors* is a significant aid in this direction.

This booklet emphasizes the policy of the Department of the Navy to assist small business generally. In the foreword from Robert B. Anderson, Secretary of the Navy, he points out that Navy policy is to encourage maximum subcontracting to small firms by prime contractors. In this way, the Navy desires to maintain an adequate reservoir of potential suppliers ready for the expanded requirements of a full mobilization effort.

The value of this booklet lies primarily in the unique information that it provides. It sets forth the principal prime contractors who do business with the Navy, and in addition it lists some 600 small business subcontract representatives who have been specifically designated by these prime contractors to discuss subcontracting in particular areas. The listing is arranged geographically. Accordingly, some 28 divisions of 1 prime contractor are listed in its home area, with a small business subcontract representative for each one. A number of other divisions of that prime contractor are listed in other cities throughout the United States, with the subcontract representative for each one, and the telephone numbers.

With the aid of this booklet any small-business man can look up the principal prime contractors in his particular locality, find the name and small business subcontract representative of each one and his telephone number, and readily arrange contact.

This booklet also provides the necessary word of caution: Selling to the Government, either as a prime contractor or subcontractor, is highly competitive. Only the qualified can hope to get a Government contract and successfully complete it. Extreme caution and deliberation should be exercised before contracting for an item completely foreign to a contractor's prior experience. Also, the Government insists upon strict inspection; goods produced must meet specifications; and the contractor must clearly understand the legal obligations he incurs when he takes on a Government contract; otherwise misunderstandings and trouble inevitably result.

Copies of this very useful booklet may be obtained from the Office of Naval Material, Washington 25, D. C., or from any major Navy purchasing activity.

Stop the Witch-Hunt

EXTENSION OF REMARKS

OF

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1954

Mr. BLATNIK. Mr. Speaker, many are the sins which are being committed in the name of "security" and "loyalty." Using these scare words to intimidate reason, certain persons—many of them in high places—are seeking partisan and personal advantage by finding security risks under everybody's bed but their own.

In the name of "security" the new superpatriots are making a career out of attacking other people's patriotism. By their standards, whoever disagrees with them must be denounced as disloyal. And a person becomes a security risk not by what he is or does, but on the basis of something about his relatives, his wife's relatives, or his relatives' relatives.

These superpatriots have not hesitated to falsify the record by misrepresenting the facts as to the discharges of Government employees or by making untrue and unproven charges as to the prosecution of the Korean war. They have had no compunction about smearing the innocent. They have not hesitated to pick on the dead. They have become so reckless that they have impugned the loyalty of a former President of the United States, and they attack the loyalty of all members of the Democratic Party. They describe the period of Democratic administration as "20 years of treason."

The President has made certain mild observations which have been interpreted as a disavowal of such tactics. These remonstrances have not been heeded. And they will continue to be disregarded so long as they are so equivocal and so long as some of the

worst offenders, who go unscathed, are members of the President's own official family—up to and including the cabinet level. The Attorney General of the United States is himself one of the leading offenders.

It must be clear to all but the willfully blind and the self-deluded that the Government employees security program has become a political tool for the super-patriots. It is one of the big sources of their ammunition.

Much attention has recently been paid to the bases on which employees have been discharged under this program. But there are other aspects to it which have passed virtually unnoticed, but which seem also to be employed for improper political purposes.

Take for example the provisions of the security programs which authorize the Attorney General to set up a list of so-called subversive organizations. Obviously, an Attorney General can, if he is willing to abandon scruples, use this blacklisting power to injure or destroy organizations merely because he dislikes them. For this reason, the very existence of this power is, I think, a highly questionable thing. It is, after all, not authorized by statute nor fenced in by legislation which would guarantee procedural due process to all accused groups. There is something frightening in the sight of a political appointee being a judge, jury, prosecutor and executioner for any organization whose purity he decides to question.

Nothing illustrates my point better than recent action which the Attorney General has taken against the National Lawyers Guild.

The Government employees loyalty-security program has been in existence for about 7 years. During all that period no Attorney General saw fit to list the National Lawyers Guild as a subversive organization for the purposes of the program. Three Attorneys General—Clark, McGrath, and McGranery—were in office during that period and none of them listed the Guild.

Now Attorney General Brownell has demanded that the Guild show cause why it should not be listed as a subversive organization, and he has charged that it has been a Communist-front from at least 1946 on—that is, during all the period of time during which the three preceding Attorneys General felt that the Guild was not subversive.

Now it is true that the National Lawyers Guild can have a so-called hearing, in which the Attorney General is both prosecutor and judge, and in which he has authorized himself to rely on off-the-record, "confidential" information. But beyond this, the Attorney General has already gone on public record to denounce the Guild as a Communist-front. Before the Guild even received notice that he was moving against it, the Attorney General, in a speech to the Boston convention of the American Bar Association, announced that he had already determined that the Guild

is a Communist-front. And though a hearing has still not been held, the Attorney General again publicly announced his verdict against the Guild to a convention of the AMVETS. This is what is known as sentencing first and holding the trial afterwards.

Moreover, the Attorney General's speeches and charges show that he is equating disloyalty with disagreement with his own political views. Thus, the Attorney General has served interrogatories on the Guild in which he more than suggests that he considers that it was subversive for the Guild to oppose universal military training—which the Congress rejected—enactment of the McCarran Act—Internal Security Act of 1950—and legalized wiretapping. Furthermore, in his speech to the AMVETS, Mr. Brownell cited as "proof" that the Guild was subversive the fact that the Guild has deplored attacks on academic freedom.

I am in no position to pass on the National Lawyers Guild. I do know that many fine and upright lawyers belong to it and that Senator LANGER, chairman of the Senate Judiciary Committee, has highly praised it. I also know that any organization which takes courageous stands on public issues runs a real risk of being unjustly attacked, in certain quarters, as being Communist dominated or tainted.

But I suggest that the circumstances surrounding the Attorney General's attack on the guild indicate more than a little that the Attorney General is using his listing power for political purposes, that he is utilizing improper standards, and that his procedures are anything but fair.

It is high time the President took a good long look at the Government employees security program and, not least of all, at the listing of organizations thereunder.

Anniversary of the Independent Republic of Armenia

EXTENSION OF REMARKS OF

HON. LOUIS C. RABAUT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1954

Mr. RABAUT. Mr. Speaker, I call to your attention at this time an anniversary of worldwide importance and significance. It is the celebration, on May 28, of National Independence Day of the independent Republic of Armenia. I respectfully recommend to your consideration this commemoration of a gallant and liberty-loving people. The valor and faith of Armenians all over the world are living proof that oftentimes freedom's flame burns brightest in the hearts of those who are the weariest and who have the least to be thankful for.

It was 36 years ago, on May 28, 1918, in the wake of the Russian revolution, and as a result of decisive victories by Armenian military forces against Tur-

key, the independent Republic of Armenia was founded. Its national life was short lived, however.

During the time it existed as an independent Republic, a truly democratic government was established, complete with legislative, executive, and judicial departments. Over 1,500 schools and colleges were opened throughout the land. Housing and irrigation were effected. Hospitals, churches, and theaters were built. Progress and economic rehabilitation were incredible.

The United States was most generous to the Armenian people during their time of trial, sending food, clothing, medicaments, and assisted greatly in fields of benevolent assistance.

The Western Allies recognized the Armenian Government one after the other; the United States gave formal recognition to the Armenian Government on April 23, 1920.

On August 10, 1920, at Sevres, a suburb of Paris, a treaty of peace was signed between the Western Allies, and the envoys of the Republic of Armenia and Turkey. Known as the Sevres Treaty, it meant the official recognition of Armenia by the Allies and Turkey and provided that the settlement of the Armeno-Turkish boundaries be left up to the President of the United States, Woodrow Wilson. President Wilson delimited the Armenian boundaries on November 22, 1920.

Hopes of freedom were stilled when the Red army invaded Armenia and subdued the young republic on December 2, 1920. An heroic effort was made after the occupation by the Russians in February of 1921; they were ejected from the Armenian homeland and kept out for over 3 months. But in the face of overwhelming odds, the Republic fell, and has since been known as one of the so-called 16 "independent" Republics that form the present Soviet Union.

As a republic, Armenia existed for a short 2½ years. As an inspiration and a shining light, she will live in the hearts and the memories of freedom-loving men forever.

In Armenia, the people today are forbidden, under pain of death, the right of celebrating their national independence day. They are confident, however, that together with their powerful ally, the United States, they will one day walk arm in arm down the pathway of peace. Together with us, they pray for the happy day when all men will be held equal in the eyes of their fellowmen, just as they are equal in the sight of the God who created them.

Armenia is one of the oldest countries of recorded history. The biblical Ark of Noah landed on Mount Ararat. Already in the seventh century B. C., the Armenians had established their independent kingdom in Asia Minor.

In the year A. D. 278 Armenia, as the first state in the world, accepted Christianity as its religion. Thirty-five years later, Emperor Constantine followed their lead and proclaimed Christianity in A. D. 313 as the religion of the Roman Empire.

And so it is that we draw inspiration from the gallant people of Armenia on

this May 28. Though they be broken in body, their spirit has never been crushed. Through many decades of subjugation by their godless oppressors they have nurtured an abiding faith in God; they have demonstrated time and again an unswerving confidence in themselves and the rightness of their cause. Together with the uncounted millions who have fallen within the awful penumbra of Soviet domination and irreligion they cry out for justice. And just as sure as night follows day they shall rise again and like the avenging angels of old shall banish forever from their fair lands the last of the conqueror and the last vestige of his philosophy of hate and malevolence.

Salute to Israel

EXTENSION OF REMARKS OF

HON. CHARLES R. HOWELL

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1954

Mr. HOWELL. Mr. Speaker, one of the bravest of the young democracies, the State of Israel, has recently reached its sixth anniversary, and it is with privilege that I rise to pay tribute to its notable achievements.

Having reached their sixth year of independence, the people of the State of Israel have reason to be proud of their small but vigorous nation. During these years, and against many complex difficulties, Israel has been successful in making magnificent progress toward economic stability and an economy which will enable its citizens to better their standard of living, and to absorb the many new citizens who seek haven in what they regard as their ancestral homeland.

With simultaneous industrial and agricultural development, Israel has established a democratic form of government, which embodies the basic democratic principles of the western free world.

The land of Israel today is the scene of active development—of new cities and towns, farms, industries, and mines. The achievements of the past 6 years foretell of higher attainments in the years to come.

I was fortunate enough to be able to visit the young and industrious State of Israel in October 1951. At that time I saw widespread evidence of the great zeal and industry on the part of the people of this young republic to make a success of this bold venture. There were, to be sure, also evidences of the great handicaps under which the people were working, such as the physical limitations of certain areas of the land and other geographic complications. Yet I had the feeling then, as I do now, that the energy of the people of Israel and their faith in this endeavor, will enable them to succeed, even against some very great obstacles.

I am proud that the United States is playing a significant part in the development and growth of Israel. I extend

my greetings and sincere best wishes to the Government and people of Israel on the sixth anniversary, with deep admiration for their achievements and potentialities. I hope I shall be able to visit there again some day.

Federal Social Security

EXTENSION OF REMARKS

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1954

Mr. PELLY. Mr. Speaker, according to reports, the House Ways and Means Committee, in executive session, has approved compulsory coverage of lawyers, doctors, and other groups under the old-age and survivors insurance program of social security. What is more, I have been told we can expect a rule which would not allow any amendment to the bill on the House floor.

I want to say I hope the mandatory provision will be reconsidered by the Ways and Means Committee.

If not, I certainly hope the Rules Committee will not see fit to bring the bill in with a closed rule.

The majority of the doctors and, I think, the lawyers too of this Nation and certainly of my district do not want to be forced to come under the social-security program. I do not think the professions should be so conscripted.

I support fully liberalized benefits under social security, but I think the members of this body under a closed rule would be put into a position of either voting in part against what they believe in, or in part for what they do not believe in, and I do not think that is right. It certainly puts a Member of Congress in a painful position.

If the worst comes to the worst I trust any motion to recommit will direct the committee to report the bill back with inclusion of the medical and legal self-employed on a purely voluntary basis. But of course it would be far more desirable if the Ways and Means Committee did away with the mandatory provision.

One of the original objectives of old-age and survivors insurance was to encourage retirement of senior citizens to make way for younger ones. Certainly with the present shortage of doctors which will continue for the foreseeable future we do not want members of the medical profession encouraged to give up active practice. As a matter of fact doctors rarely retire on account of age—mostly they limit their practice to a less arduous schedule.

Above all, however, I feel that physicians, dentists, and the professional self-employed should have freedom of choice to decide individually if they desire to be included under Federal social security. I strongly favor a voluntary provision just as I vigorously support a liberalized benefit program for all who are under social security.

Antidepression Act of 1954

EXTENSION OF REMARKS

OF

HON. LOUIS B. HELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1954

Mr. HELLER. Mr. Speaker, I am introducing a bill in the House of Representatives today entitled the "Antidepression Act of 1954." This bill is aimed to strengthen the American economy so that this Nation can weather any economic storms or a severe depression that may be looming on the horizon.

Let me say at the very outset that I do not belong to that category of pessimists which prefers to view life through dark glasses, but at the same time I do not wish to look at life only through rose-colored glasses. I choose to be realistic. I have utmost confidence in the American way of life and in our economic foundations. It is for this very reason that I am firmly convinced we must ever be alert to maintain and to protect our economic defenses, as we do in the case of our military defenses.

In March of this year, when headlines across this Nation continued to paint a grim picture of mounting joblessness, I discussed the unemployment situation in an address in this House. I stated then that the situation pointed to a steady drift toward economic depression, unless effective means were taken to deal with this situation and I indicated at the time what some of these steps should be. I said:

Now is the time to come forward with an effective program to deal with this problem before the drift swells into a deluge and inundates the entire Nation. Such program should include steps to strengthen the unemployment-insurance system, broaden the social security system, increase the minimum wage, extend tax reduction to the low-income people and the great mass of consumers instead of big business, undertake a huge housing program designed for low- and middle-income families, as well as a large-scale program of public works, new schools, good roads, and similar projects from which the people would benefit.

Mr. Speaker, since making those remarks on March 4 of this year I have given the matter a good deal of thought. Many people have approached me, personally and in writing, urging me to expand on the general thought, to spell it out in more specific terms, and to incorporate it into a bill which could serve as an effective program to bolster our economy. This I have now done. I call my bill the Antidepression Act of 1954, because its main purpose is to suggest a program of action now which could prevent a depression tomorrow.

In other words, the steps which I am proposing in my antidepression bill may be regarded as being in the nature of a blueprint for action to strengthen our economic system through a series of corrective measures which will help to maintain full employment, broader economic protection, expansion of our purchasing power, and the continuation of a high standard of living. This is not

to be regarded, however, as a definitive blueprint for action, but rather as an initial program to reverse the present drift toward depression.

Let us not be fooled by the juggling of unemployment figures or the occasional statements by administration spokesmen that the worst is over and the current recession will soon disappear. At best, the reported improvements are slight, seasonal, and therefore temporary. As late as the end of April, a well-known columnist in one of our great newspapers stated that a nationwide buyers' strike is now taking place in the United States and that the length of the present recession depends on the length of that strike. Statistics show, he said, that the public is holding back on purchases waiting for lower prices; if this mood of consumer resistance continues for a length of time the recession could get lots worse.

In recent months unemployment reached the figure of 4 million, which is the highest total in the last 4 years. If by next fall or winter it goes up to 5 or 6 million, as some predict, then we shall really be in the throes of a serious depression. Are we prepared to cope with such a situation? Does the administration have a program of action to prevent a deterioration of our economic foundations? Can we afford to sit back and wait for economic chaos to overtake without initiating effective means to stave off a catastrophe?

Remedial legislation is urgent at this time, and my antidepression bill is designed to provide exactly that type of legislation. My bill seeks "to strengthen the unemployment insurance system, broaden social security, increase the minimum wage, extend tax reduction to low-income groups, provide for low-rent housing, and establish a program of public works." It incorporates exactly the very suggestions I made last March in my address, and now I have developed the whole idea into a bill.

Mr. Speaker, I shall now describe each of the major provisions of my bill and, where possible, present a brief analysis of these provisions:

1. UNEMPLOYMENT INSURANCE

The unemployment insurance system should be strengthened and extended so as to provide wider coverage of unemployed workers. Section 2 of my bill seeks to extend unemployment insurance coverage by amending the Internal Revenue Code to include a larger class of employers liable to pay the tax for this purpose. At present, the unemployment insurance provisions of the law restrict the tax liability to employers of 8 or more employees in each of 20 weeks during the taxable year. I propose to change this provision to apply to all employers who have one or more individuals in their employment. It should be noted that because of provisions in the Federal law extending credits against Federal tax for payments made by employers of State unemployment taxes, my amendment will serve to induce States to increase the coverage of their unemployment insurance laws. Undoubtedly millions of workers would be benefited by

this improvement in our unemployment insurance system.

2. SOCIAL-SECURITY BENEFITS

Broadening of the social-security system and extension of these benefits are prescribed in several sections in my bill, as follows:

Section 3 increases the minimum monthly benefit payable under social security, from the present minimum of \$25 to a minimum of \$40 each month.

Section 4 amends the so-called work clause in the Social Security Act which at the present time limits the amount of monthly earnings to \$75. Under this section, I propose to allow beneficiaries to earn up to \$100 per month without loss of benefits.

Section 5 seeks to lower the age of retirement under the Social Security Act from 65 to 60 years.

Section 6 deals with expanded coverage under the social-security system to include many millions of Americans who are not now eligible to these benefits. It seeks to extend coverage to some 10 million persons, employees and self-employed, including State and local government employees, agricultural and domestic workers, professionals and others who are self-employed—in fact, everyone who works for a living should be entitled to enjoy these benefits in their old age.

3. MINIMUM WAGE

The present minimum wage level of 75 cents per hour is unrealistic under our current high cost of living. Section 8 of my bill proposes to raise the national minimum wage from 75 cents to \$1 an hour. In so doing, we shall make it possible to increase the purchasing power of millions of wage earners and thus directly contribute toward the welfare of our economy as a whole.

4. INCOME-TAX EXEMPTIONS

This proposal is a definite anti-depression measure aimed directly to aid the low- and middle-income groups. Section 9 of my bill provides for increasing the income-tax exemptions for the taxpayer and his dependents, as well as for the blind and the aged, from the present \$600 per year to \$800. This will provide added income for each family and will undoubtedly stimulate greater consumption and improve business and production.

5. LOW-RENT HOUSING

Lack of adequate housing and the need for slum clearance constitute ever-growing problems. Expanded construction to meet the great housing need would not only help to keep our economy healthy, but would also prove beneficial in meeting some of our social, moral, and health problems arising from slums and the lack of adequate housing. Section 10 of my bill provides authority for the Public Housing Administration to authorize the construction of low-rent housing units under the Housing Act of 1937. At the present time, the administration can authorize the construction of no more than 35,000 units per year because of the limitations placed by Congress in the appropriation bills. My bill proposes to override these limitations by authorizing the construction of 100,000 housing units

per year for the next 4 years, or a total of 400,000 units.

6. PUBLIC-WORKS PROGRAM

One of the most effective ways to combat a depression, as we have already learned from experience during the 1930's, was through the adoption of a broad public works program. In this program should be included the construction of more schools and playgrounds, hospitals, and nursing homes, roads and highways to cope with present day traffic, irrigation and forestation projects, dams, and hydroelectric stations, and similar public works which would provide greater employment and valuable national assets. My bill provides that Congress should appropriate the sum of \$3 billion to assist States and municipalities throughout the United States to undertake such public works projects in their localities with the approval of the Federal Government. This is covered under section 11 of my bill.

Mr. Speaker, I am convinced that adoption of the kind of a program suggested above would prove most effective in bolstering our national economy and stave off a depression. These are antidepressive measures which should be applied now. It is a stitch in time. Let us use it while we still have the opportunity to save our economy, and not wait until the process of deterioration has made heavy inroads.

Tabulation of Returns From Questionnaire

EXTENSION OF REMARKS OF

HON. FRANK T. BOW

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1954

Mr. BOW. Mr. Speaker, under leave to extend my remarks, I wish to include in the RECORD a tabulation of the returns from the questionnaire which I recently distributed to postal patrons throughout my 16th Ohio District.

I was extremely gratified by the excellent response to my poll. A total of 18,362 of my constituents displayed their interest in the affairs of our Nation by taking the time to fill in and return the questionnaire.

All of these replies are extremely helpful to me in my effort to represent the people of my district to the very best of my ability. I thought, however, that several of the responses were of particular interest.

Most significant of all was the fact that 92 percent of those replying said they oppose the admission of Red China to the U. N., while 5 percent expressed approval and 3 percent did not answer this question.

An overwhelming 70 percent expressed approval of the President's flexible farm-support program, with 22 percent opposed.

Closest vote of all was on the question of giving 18-year-olds the right to vote.

My constituents voted against this proposal by a 50-percent to 46-percent margin, with 4 percent expressing no opinion.

The complete tabulation follows:

Percentage distribution of questionnaire replies

Question 1. Do you favor the Bricker amendment?

	Yes	No	No reply
Total response, 16th District.....	Percent 53	Percent 39	Percent 8
Canton-North Canton.....	62	32	6
Massillon.....	51	42	7
Alliance.....	47	46	7
Stark County rural ¹	59	34	7
Dover-New Philadelphia.....	50	44	6
Uhrichsville-Dennison.....	47	47	6
Tuscarawas County rural ¹	53	40	7
Wooster-Orrville.....	39	52	9
Rittman.....	34	53	13
Wayne County rural ¹	42	45	13

Question 2. Do you favor the President's farm program (flexible supports)?

	Yes	No	No reply
Total response, 16th District.....	Percent 70	Percent 22	Percent 8
Canton-North Canton.....	73	19	8
Massillon.....	70	23	7
Alliance.....	75	19	6
Stark County rural ¹	67	24	9
Dover-New Philadelphia.....	71	21	8
Uhrichsville-Dennison.....	57	37	6
Tuscarawas County rural ¹	63	28	9
Wooster-Orrville.....	79	15	6
Rittman.....	68	21	11
Wayne County rural ¹	67	24	9

Question 3. Do you approve of the efforts of Senator McCARTHY to disclose the actions of Communists in this country?

	Yes	No	No reply	Qualified answers ²
Total response, 16th District.....	Percent 68	Percent 25	Percent 7	18
Canton-North Canton.....	75	19	6	17
Massillon.....	72	23	5	16
Alliance.....	64	27	9	24
Stark County rural ¹	72	22	6	14
Dover-New Philadelphia.....	65	27	8	21
Uhrichsville-Dennison.....	61	35	4	13
Tuscarawas County rural ¹	66	28	6	15
Wooster-Orrville.....	53	34	13	27
Rittman.....	61	37	2	9
Wayne County rural ¹	61	28	11	20

Question 4. Do you believe 18-year-olds should be granted the right to vote?

	Yes	No	No reply
Total response, 16th district.....	Percent 46	Percent 50	Percent 4
Canton-North Canton.....	41	56	3
Massillon.....	48	49	3
Alliance.....	50	46	4
Stark County rural ¹	46	51	3
Dover-New Philadelphia.....	47	50	3
Uhrichsville-Dennison.....	53	44	3
Tuscarawas County rural ¹	49	49	2
Wooster-Orrville.....	51	45	4
Rittman.....	49	50	1
Wayne County rural ¹	50	45	5

¹ Rural figures include replies from all areas outside cities listed.

² This column indicates percentage of replies to which qualifying comments were added.

Question 5. Are you in favor of admitting Red China to the United Nations?

	Yes	No	No reply
Total response, 16th District.....	Percent 5	Percent 92	Percent 3
Canton-North Canton.....	4	94	2
Massillon.....	5	92	3
Alliance.....	6	90	4
Stark County rural ¹	5	93	2
Dover-New Philadelphia.....	6	90	4
Uhrichsville-Dennison.....	7	90	3
Tuscarawas County rural ¹	6	91	3
Wooster-Orrville.....	6	89	5
Rittman.....	5	92	3
Wayne County rural ¹	6	88	6

Question 6. Do you favor the extension of social-security coverage to 10.5 million additional persons, including doctors, dentists, ministers, farmers, and others who are self-employed, even though this might mean an increase in the social-security-tax rate paid by both employer and employee?

	Yes	No	No reply
Total response, 16th District.....	Percent 38	Percent 55	Percent 7
Canton-North Canton.....	36	58	6
Massillon.....	37	57	6
Alliance.....	44	49	7
Stark County rural ¹	37	56	7
Dover-New Philadelphia.....	39	54	7
Uhrichsville-Dennison.....	44	51	5
Tuscarawas County rural ¹	40	54	6
Wooster-Orrville.....	41	52	7
Rittman.....	43	46	11
Wayne County rural ¹	39	53	8

Question 7. Do you favor United States participation in construction of the St. Lawrence Seaway project, to be financed by revenue bonds paid for by tolls?

	Yes	No	No reply
Total response, 16th District.....	Percent 86	Percent 10	Percent 4
Canton-North Canton.....	89	7	4
Massillon.....	87	9	4
Alliance.....	86	9	5
Stark County rural ¹	83	12	5
Dover-New Philadelphia.....	88	8	4
Uhrichsville-Dennison.....	75	21	4
Tuscarawas County rural ¹	79	15	6
Wooster-Orrville.....	87	8	5
Rittman.....	91	4	5
Wayne County rural ¹	83	10	7

Question 8. Do you favor the continuation of the Un-American Activities Committee of the House of Representatives?

	Yes	No	No reply
Total response, 16th District.....	Percent 87	Percent 8	Percent 5
Canton-North Canton.....	90	6	4
Massillon.....	88	8	4
Alliance.....	87	8	5
Stark County rural ¹	86	8	6
Dover-New Philadelphia.....	88	7	5
Uhrichsville-Dennison.....	80	12	8
Tuscarawas County rural ¹	80	11	9
Wooster-Orrville.....	84	11	5
Rittman.....	75	11	14
Wayne County rural ¹	81	9	10

¹ Rural figures include replies from all areas outside cities listed.

Question 9. Do you approve of controls on the production of farm crops?

	Yes	No	No reply
Total response, 16th District.....	Percent 25	Percent 68	Percent
Canton-North Canton.....	22	71	7
Massillon.....	25	69	6
Alliance.....	26	69	5
Stark County rural ¹	24	71	5
Dover-New Philadelphia.....	25	67	8
Uhrichsville-Dennison.....	25	70	5
Tuscarawas County rural ¹	28	67	5
Wooster-Orrville.....	30	60	10
Rittman.....	38	59	3
Wayne County rural ¹	31	63	6

Question 10. Do you favor continuation of:
 (a) Technical assistance to Europe?
 (b) Economic aid to Europe?
 (c) Technical assistance to Asia?
 (d) Economic aid to Asia?

[Percentage affirmative replies]

	(a)	(b)	(c)	(d)
Total response, 16th District.....	68	32	67	35
Canton-North Canton.....	69	28	68	32
Massillon.....	69	34	68	36
Alliance.....	72	40	71	42
Stark County rural ¹	64	29	62	32
Dover-New Philadelphia.....	69	33	66	34
Uhrichsville-Dennison.....	61	38	57	36
Tuscarawas County rural ¹	64	32	61	35
Wooster-Orrville.....	75	39	73	41
Rittman.....	73	46	74	43
Wayne County rural ¹	65	35	64	37

¹ Rural figures include replies from all areas outside cities listed.

Why Less Paper Currency?

EXTENSION OF REMARKS OF

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1954

Mr. BLATNIK. Mr. Speaker, from time to time the economic seers of the present administration have sought to assure us that no recession is in sight despite mounting unemployment, sagging farm prices, and a falling off of sales in many lines. In fact, no less an authority on the subject than Herbert Hoover has given us the assurance that prosperity is on a sound footing.

Now in view of all of these assurances I am wondering why the Treasury Department is cutting back so drastically in the amount of currency to be printed in the fiscal year beginning July 1. It is my information that there will be 31 million less sheets of United States currency printed next year than this. At 18 bills per sheet this means a reduction of 558 million bills. This is a reduction of about 25 percent.

A great many economists contend that the volume of money in circulation and the speed at which it circulates is an accurate index of business activity.

Is it the conclusion of the administration that things are going to be so slack in business this coming summer, fall, and winter that we just will not need the cur-

rency? It is also my understanding that the redemption of old and worn-out currency practically has been halted by the Treasury Department. Is this another sign that prosperity is retreating back around the corner where it remained hidden during the last Republican administration?

Experts in the field tell me that the reason our currency has never been successfully counterfeited is because of the high quality of our printing and engraving and because we have redeemed bills as soon as they become soiled or worn. When currency reaches the stage that it justifies the name of "filthy lucre," who can tell the spurious from the genuine?

If this is another so-called economy measure, I hope that it is not one that permits a torrent of spurious currency to be loosed.

I await with interest the Treasury Department's reply to the questions I have raised.

Monopoly Trend in Auto Industry

EXTENSION OF REMARKS

OF

HON. S. J. CRUMPACKER, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1954

Mr. CRUMPACKER. Mr. Speaker, during the past 9 months factory employment has dropped sharply in the four counties comprising the Third Congressional District of Indiana, and unemployment has become a major problem.

Early this year, as a result of a special survey conducted at my request, the Labor Department declared the South Bend employment area, which includes Mishawaka and all of St. Joseph County, to be an area of substantial labor surplus. This status gives manufacturers in the county a better chance at available defense contracts.

Two months later, again as a result of a special survey conducted at my request, La Porte County also was placed in this category.

Unemployment now stands at 8 percent of the labor force in St. Joseph County and 10 percent in La Porte County. The situation in the Third District is far more acute than it is in most areas of the State of Indiana or, for that matter, than it is in the country as a whole. The Third District, though it has only 10 percent of the State's population, has about 20 percent of its unemployment.

What has brought this about? In part it is a natural outgrowth of the end of the shooting war in Korea. But the most spectacular drop in employment in the district cannot be attributed to this. While the general decline in business in the country as a whole, this year as compared with last, has been somewhere around 10 percent, employment at the Studebaker Corp., the district's largest industry, has fallen from some-thing over 23,000 production workers last

August to about half that number at the present time. And those still on the employment rolls have been working only every other week rather consistently, so that the dollar payroll has been averaging only about one-fourth of what it was last August.

The economic impact of this is being felt far beyond the city limits of South Bend. Over 15 percent of the people who work in South Bend and Mishawaka factories come from outside of St. Joseph County. Some come from as far as 100 miles away.

DEMAND MADE FOR ANTITRUST INVESTIGATION

Is the automobile business generally depressed this much? Definitely not. The industry as a whole enjoyed its third best first quarter in history. The General Motors Corp. had the best first quarter in its history and is employing 30,000 more people this year than last year. Most divisions of Ford and General Motors have not only worked full time all year but have worked a lot of overtime as well. Sales during the first 3 months of 1954 were down only 6.5 percent as compared with the record levels of last year, which is a better record than many lines of business have made so far this year.

What really is happening in the industry is that a very marked shift in the sales pattern is taking place. Ford and General Motors are grabbing an ever bigger share of the total market, while Chrysler products—Chrysler, De Soto, Dodge, and Plymouth—and those of the independent manufacturers—Studebaker, Nash, Packard, Hudson, and Kaiser-Willys—are rapidly being pushed off the market. During the first 3 months of this year General Motors sales were up 1 percent above the record levels of the first quarter of last year. Ford sales have increased a whopping 26.1 percent over last year. But Chrysler sales have fallen 32.3 percent and the independents have dropped a terrific 55.9 percent. Studebaker, incidentally, is faring far better than the other independents, as their first quarter sales were down only 25.1 percent as compared with last year. But this comparison is colored somewhat by the fact that they were having production difficulties during the first quarter of 1953.

What has brought about this sudden shift in the sales pattern? Ford and General Motors officials—as might be expected—see in it only a public expression of preference for their products. To say that this view is not shared by all the industry is the understatement of the year.

On March 30 I introduced a resolution in Congress calling upon the Federal Trade Commission to make an investigation into competitive practices in the automotive industry to determine just what is bringing about this ever-increasing concentration in the industry. The introduction of this resolution was the culmination of a considerable amount of preparatory work, which included conferences with congressional leaders and members and staff members of the Federal Trade Commission, including a

liaison man with the Antitrust Division of the Department of Justice.

My resolution, among other things, called upon the FTC to determine if current practices in the industry constituted in any way any violations of the antitrust laws and if any amendments to those laws were needed to cope with the situation. In the speech I made on the floor of the House of Representatives in support of the resolution I charged that a competitive race between Ford and General Motors for leadership in the low-price field was demoralizing the market, and that some of the competitive methods they were using might be in violation of the antitrust laws.

FORD AND GM DENY CHARGES—AUTO DEALERS TAKE OPPOSITE VIEW

Spokesmen for Ford and GM immediately denied that they were engaged in any "production race" and stated that their production schedules were based on orders from their dealers. This last statement may well be technically and literally true in most instances, but the Ford and GM spokesmen failed to say anything about how they obtain these orders from their dealers. Here is the crux of the whole matter. For if dealers are actually ordering only as many cars as they think they can dispose of profitably by ordinary retail methods, then there is indeed no grounds for any charge against these automotive giants. If, on the other hand, dealers are being forced to order cars they do not want, by threats and intimidation—either expressed or implied—and as a result are bootlegging them into used-car channels or selling them at big discounts, then it becomes a horse of a different color.

Just to give you a sampling of the evidence I have accumulated on this point, I would like to quote briefly from a few of the hundreds of letters I have received. From a Dearborn, Mich., car dealer:

One Ford dealer has 400 cars in stock, one Buick dealer 200.

From a Grand Rapids, Mich., car salesman:

Why, if no coercion is being used, are Chevrolet dealers in Grand Rapids stocking over 100 cars apiece for total sales in 1 week of only 18 cars?

From a Ford dealer in Iowa:

I cannot help but comment that the Ford dealers and Mr. Breech, executive vice president of Ford, would not seem to agree on the Ford Co.'s policy.

From a GM dealer in Fort Worth, Tex.:

The automobile industry is in a mess, and this condition has resulted * * * from the attitude of certain manufacturers who changed their former allotments to quotas for the dealers, regardless of the demand. These manufacturers were working overtime to overproduce, and were forcing this overproduction down the throats of the dealers.

COMPLAINTS TURNED OVER TO JUSTICE DEPARTMENT

All cases which come to my attention which appear to involve violations of the laws are being turned over to the De-

partment of Justice for investigation. One final quote, from the Greater New York Willys Dealers Association:

The present war being waged by Ford upon Chevrolet for so-called leadership in sales is absolutely destroying the independent dealers. Ford and Chevrolet dealers who wish to retain their franchises are no longer free citizens of our country, but in truth and in fact are now forced to consider allegiance to their respective factories above loyalty to their country, * * * P. S.—And, damn it, we aren't Communists.

I would like to echo that postscript. Some people have evidently been viewing my activities in this field with suspicion. Many of my friends have asked me how I can charge monopoly and violation of the antitrust laws when obviously a hot competitive race is in progress. There are several explanations for this. In the first place, I have not said that a monopoly already exists. I have merely said that one appears to be developing. A look at business history in this country clearly indicates a standard pattern for the development of monopolies. In a line of business where to begin with there are many small companies, a few begin to get stronger than the rest. The smaller ones are gradually absorbed or driven out of business by the stronger ones until eventually the field is reduced to 2 or 3 giants. These giants then slug it out until they, too, are eventually forced to merge.

This classic example of this pattern is in the express business where originally there were hundreds of small companies—roughly comparable to the numerous regional motortruck concerns of today. After many years of cutthroat competition the field was reduced to two—Adams and Wells-Fargo. Eventually these two were also forced to merge and there has been a monopoly in this field ever since. Of course, it does not always work out that way. In many lines of business there are inherent limiting factors—economics, geographic, or otherwise—that prevent the growth of monopolies. But the automobile business, by its very nature, is peculiarly susceptible to an express-company type of development, and the process is already far advanced today.

JUSTICE DEPARTMENT ANNOUNCES PROBE

The antitrust laws are designed primarily to prevent monopolies, and it is only when a monopoly has already developed that they are invoked to break one up. To say that because there is at present fierce competition in the automotive field there can be no basis for antitrust action is akin to saying that a police officer who witnesses one man beating up another cannot intervene until the second man is killed and a corpse exists as positive proof of wrongdoing. It is much easier to save a company which is still operating than it is to reestablish one which has already gone broke. For this reason the antitrust laws operate on the basis that prevention is far easier than cure.

It is basic to our antitrust laws that price cutting for competitive purposes must be based on sound economic oper-

ation—selling at a loss for the sole purpose of driving out weaker competitors is prohibited. If Ford and GM dealers, in any substantial numbers, are being forced to operate at a loss by the production battle being waged by these two giants, then there would seem to be a clear case of antitrust violation.

My concern over this problem is shared by other Government officials. On April 28 Attorney General Brownell said in a New York speech that increasing concentration in the auto industry "contains dangerous potentialities" and announced that the Department of Justice is investigating several different phases of this matter. I have had conferences with Assistant Attorney General Barnes, who is in charge of the Antitrust Division, and with Deputy Attorney General Rogers, in regards to this matter. I also have relayed many complaints from industry sources which are being closely examined by the Department.

In conclusion I would like to reiterate the hope which I expressed in my House speech that the heads of Ford and GM will call off their dog-eat-dog race before further damage is done, and without being forced to do so by legal action. Such action would be long and costly, and not a healthy thing for our greatest industry to become involved in. In the long run these companies cannot but suffer from the continuing disregard by their leaders of the public interest.

Federal Agency for Handicapped Needed

EXTENSION OF REMARKS
OF

HON. GEORGE M. RHODES

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1954

Mr. RHODES of Pennsylvania. Mr. Speaker, in the 6 years I have been a Member of this body, I have consistently fought for better programs for our 38 million handicapped citizens. Today there is pending before the House Education and Labor Committee H. R. 2300, to establish a Federal agency for handicapped. This is the most comprehensive approach to the handicapped problem ever laid before the Congress and provides for maximum extension of medical services, vocational guidance and counseling, education and training, and full employment opportunities to all citizens handicapped by physical or mental disabilities, and also provides for—

First. Effective coordination of functions relating to rehabilitation and employment of handicapped.

Second. Establishes an independent Federal agency for handicapped, based, for housekeeping purposes, in the Department of Labor, and establishes in this agency an advisory council on affairs of the handicapped and an in-

teragency committee on rehabilitation and employment of handicapped.

Third. Establishes an Office of Services for Blind in said agency.

Fourth. Cooperative enterprises for handicapped, one of the most needed activities to meet varied problems of handicapped people.

Fifth. Rehabilitation centers for handicapped.

Sixth. Special programs for severely handicapped, including establishment of workshops.

Seventh. Financial grants of \$60 a month to handicapped who are totally disabled and termed by Federal or State rehabilitation agencies to be unfeasible for rehabilitation.

Eighth. Established Federal services for handicapped revolving loan fund, from which States may borrow money at such times as their own funds for vocational rehabilitation are exhausted.

Ninth. Establishes a division for handicapped in United States Civil Service Commission.

Tenth. Promotes safety programs designed to eliminate and prevent conditions tending to promote injuries or disease in Federal buildings, institutions, and parks, et cetera.

Eleventh. Calls for reports from all Federal agencies which may now receive, as part of their functions, reports relating to handicapped persons.

Twelfth. Variable grants to States for vocational rehabilitation.

Thirteenth. Grants to handicapped who require special home training.

Fourteenth. Establishes a Federal Second Injury Act.

This, Mr. Speaker, is one of the vital problems before the Congress today, and I sincerely hope our Committee on Education and Labor speedily reports H. R. 2300 out, so we may thus be enabled to vote for it, and do our duty toward these millions of disabled citizens.

Of Rights and Sensibilities

EXTENSION OF REMARKS
OF

HON. ALFRED D. SIEMINSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1954

Mr. SIEMINSKI. Mr. Speaker, the Constitution of the United States makes every effort to protect not only the rights but the sensibilities of every American citizen.

A former President of the United States pointed out not too long ago, side by side, the Constitution of the United States and the Constitution of Soviet Russia express noble sentiments for life, liberty, and the pursuit of happiness. An examination of the operation of both documents shows that life in the United States is happier and freer than life in the Soviet Union. The method used to carry out the terms of the document, it appears to me, makes the difference.

While it may be true that men make organizations, both men and organizations need guides, compasses, or documents to stay on course. The way to go, to proceed, is as vital for safe and lasting success in carrying out a mission, be it on land, in the air, or on the sea, as is the way to act in government to promote the public interest. This seems so fundamental as to make even the mention of it appear naive. Every kid on any city block knows that to play outside the rules invites trouble. History is replete with the story of rulers and governments that have operated, to their dismay, outside the simple rule of promoting the general welfare, the need of people to live free from the whip across the back, the mind, and the heart.

The Congress is to hear in joint session Emperor Haile Selassie who embodies the idea that like an echo it all comes back, the good and the bad. Where is that dictator, that bad man whose boy sprayed Ethiopians from his turret as they ran in fear for cover? He likened them to animals, like game, fun to shoot down. Where is that son? Who knows? Haile Selassie is back, vindication to me, at any rate, that in the book of judgment, which rests in heaven, and not on the table of any political commissar, that method counts.

Under unanimous consent, Mr. Speaker, as a possible contribution to proper procedures in government to promote the general welfare, to hold back the whip, to keep our people from being unnecessarily scarred in heart or mind, I should like below to cite the nine objections he makes as well as the preface he writes in his book recently published called *I Protest*, by G. Bromley Oxnam:

I

I protest against the use of the House floor to defame. It is at once ungentlemanly and un-American to abuse the privilege of immunity by broadcasting a falsehood from the House of Representatives. There is no congressional immunity from the Biblical injunction, "Thou shalt not bear false witness."

II

I protest against procedures that are, in effect, the rule of men and not the rule of law; procedures subject to the prejudices, passions, and political ambitions of committeemen; procedures designed less to elicit information than to entrap; procedures that cease to be investigation and become inquisition and intimidation.

III

I protest against the inexcusable incompetency that has characterized too many members of the research staff of the House Committee on Un-American Activities, an incompetency that has both duped and embarrassed members of the committee.

IV

I protest against the release of unverified and unevaluated material from the so-called files of this committee on official letterhead and signed by an official clerk, a practice particularly reprehensible since the committee refuses to vouch for the accuracy of the material and insists it does not represent an opinion or a conclusion of the committee. The alleged inclusion of a disclaimer, disavowing responsibility or accuracy, is no justification for the release of falsehood because to release it is in effect to validate it.

V

I protest against the un-American assumption that underlies many utterances of the committeemen, namely, that accusation constitutes conviction. The uncorroborated identification of a citizen as a Communist by an unknown informer is not proof, and the publication of the names of persons thus identified is a vicious and un-American practice.

VI

I protest against the "big bully" spirit and the bad manners of some committeemen who lecture and berate a witness, and who through insinuation misrepresent the views and activities of the witness as well as secure headlines for themselves in the press. A witness is forced to listen to the homilies of the ignoramus, the misrepresentation of the unscrupulous, and the browbeating of the bully. I protest against such degrading and un-American procedures.

VII

I protest against the apparent determination of the committee to save face rather than to face facts. I protest against its unwillingness to clean up its files and to revise its procedures so as to eliminate its abuses. Neither ignorance nor inertia can longer be tolerated. Congressmen, who have introduced bills designed to bring investigating committee procedures into harmony with American tradition, deserve the support of the public whose patience is well-nigh exhausted.

VIII

I protest against the failure of the House Committee on Un-American Activities, after spending hundreds of thousands of dollars of tax funds, to propose sound legislation to end the Communist menace or to suggest constructive proposals to remove the causes that produce communism or creative measures to make us impregnable to Communist infiltration.

IX

I protest against the constant use of the phrase "It is cited" without informing the public that most citations are not conclusions reached after careful research and confirmed by responsible bodies, but in the case of this committee and of many State committees are often the result of incompetent study, the collection of unverified rumor and staff listing. The use of the phrase "It is cited" is a device designed to discredit. It is sheer duplicity and is subject to the severest condemnation.

PREFACE

The informer is infiltrating American life at the National, State, and local level. He invades the privacy of the home, reports on classroom discussion and library accessions, and summons his colleagues to challenge the sanctity of the church. He is a man of the shadows, born of fear and contributing to it. He speaks in whispers. Justice William O. Douglas describes him as "nameless and faceless." He is not subpoenaed, answers no rollcall, dares not face the man he accuses. He is as un-American as the Nazi gauleiter or the Russian commissar. But he is here. He strikes at the heart of American freedom. He is a creature of the police state, an alien, and malignant growth. Those who employ him or sustain him insist there is no fear upon the American campus; no fear in the Government service; no fear in the motion picture, the television, or radio industry; no fear in the church; in fact, no fear at all except as it is conjured up by the liberals, who are alleged to be unaware of the Communist threat to freedom.

This denial of the presence of fear is as false as the presence of fear is a fact. The whisper has entered American life for the first time. A people unafraid, heretofore ready to speak its mind boldly, a proud people is becoming a silent people. The American is holding his tongue. If this were due to more serious thought, it would be well. But it is due to fear. Communism can never be answered by fearful people who stand silent. And strangely enough this fear results in large measure from the un-American activities of elected representatives of the American people who have been charged with investigating subversive activities. It arises from the activities of wide-ranging private agencies, vigilante in spirit, of mixed motives, but pursuing methods of the police state that run the gamut from wiretapping to the maintenance of the dossier.

Industrialists, who stupidly subsidized Hitler and secretly assumed that he was their man, were the first to learn that free enterprise dies at the hand of the dictator, and the sophisticated who laughed and called Hitler a buffoon were among the first to behold him as the beast and to be shut up in Buchenwald. The reactionary coalition of isolationists, purblind industrialists, and alien-minded prelates may profit by the lessons of Hitler Germany. Whether this coalition is capable of learning is yet to be decided, but there can be no doubt among those who would preserve our freedom that

to appease such tendencies will bring the train of tyranny that appeasement brings whenever we compromise with the tyrant mind, right or left. The threat must be met head on, wisely, fearlessly, successfully.

There is a rightful and necessary place for congressional investigation. It is necessary for Congress to investigate in order that it may have information upon which to base sound legislation. It may be necessary to investigate the agencies chartered by the Congress to be certain that the terms of reference are carried out faithfully and in the interests of the common good. Investigation has at times resulted in information of great value to the Nation. It has an educational value, and in some cases the exposure made by investigators has been significant. It is not the propriety of congressional investigation that is the concern of this book.

The Communist Party is a conspiracy. Conspirators ought to be discovered, tried in due process and, if found guilty, punished. That is taken for granted.

This book is concerned with procedures that repudiate American tradition and practice, procedures that involve the informer, that riddle our life with distrust, and set American against American, that tend to label sound reform as subversive, that make no distinction between progress and revolution, procedures carried on by staffs too largely composed of ex-Communists and often incompetent, or by politicians some of whom appear prone to capitalize upon hysteria for political advantage.

The American must protest. He must do more. He must throttle this threat to freedom. He must preserve the free society.

In conclusion, Mr. Speaker, I think it only fair to the Congress to say that the nine points of order raised by the author are being attended to. Our courts insist on strict proof and proper pleading in order to guarantee the citizen equal justice under the law. Our people elect Members to the Congress periodically to guarantee that laws are kept as flexible as life and the conditions of man require. It is indeed questionable whether our citizens intentionally demand less protection from the Congress than they do from the courts to the end that justice prevail in equal measure for all.