lead. Backward peoples come to us for ideas. They want to use our skilled personnel. We are their teachers. No question about it, there is a light in their backward eyes of not only appreciation, but actual awe of what we have been able to do. It is right for that light to be in their eyes, but let us not misinterpret it and be so busy taking bows that we fail to look at the work undone behind stage.

Our Pacific Northwest has had more visitors of this type than most section of the Nation. They have come to see our system of dams along the Columbia River. They have looked at blueprints and taken them home to start projects of their own. They have stood at Seattle-Tacoma Airport, marvelled at the modern terminal we have constructed. They have gone to the Boeing Aircraft Co. to see the efficient way we put airplanes together. They have watched arid acres produce fabulous crops in the Columbia Basin project, and I think they have caught some of the spirit from our Pacific Northwest leaders who aren't content with the past, who won't be content unless the future develops at the same pace with the same results. No one knows better than those who have had a hand in the development of the last 2½ decades that there is still plenty to be done. We can never stand still and make achievement.

Before coming to Tacoma, I asked the Department of Defense, for example, exactly how much was going to be spent by that agency in the State of Washington during fiscal 1956. I got the answer that $282 million is the estimated expenditure in the State of Washington. That breaks down into these figures: $110 million for the Army; $63.6 million for the Navy, and $108.8 million for the Air Force. Now that's an example of what I mean about never standing still. To the casual observer driving by Larson Air Force Base, or the Hanford project, or Fort Lewis, or McChord Field, or the Bremerton Navy Yard, those projects look pretty complete. Yet, to equip these bases with the housing facilities needed and the latest available technical equipment it's going to take $282 million this next year to do the job.

The expansion of the Tacoma Waterway reminds me of the dock modernization program this Nation is going to be forced into very shortly. As chairman of the Interstate and Foreign Commerce Committee of the Senate, I have had occasion to sit down with industry and labor representatives to discuss dock modernization. The casual observer driving by a dock may think the facilities are the most modern in the world. Certainly they are better than most, but they are not up to the standards we need for complete efficiency.

For example, most of the cranes at our docks are between 20 and 30 years old. They aren't as efficient as the new cranes turned out. In too many cases we are still doing by hand what should be done by machine. We are moving by stevedore, a piece at a time, what can be done in bulk. We might assume that labor would protest any modernization, but it doesn't take that view at all. It knows that through proficiency in mastering new techniques it not only gains more skill, but more money; because in dock management, time is money, and the faster goods can be moved the more money is available for those who utilize the new techniques.

Undoubtedly, the Federal Government is going to step into the dock modernization picture, probably through a matching funds program. And it should, because it's in the national interest to have docks ready for instantaneous handling of goods in case of national emergency. I am happy to report that labor and management stand united in this program of progress.

Our shipping lags far behind the times. I fought in the last Congress for several prototype ships which the Maritime Administration could build to show the way for efficient shipping for the next decade or longer.

Those ships should have been off the drawing boards and on the ways by this time, but they aren't. Perhaps the delay comes under the heading of economy, or maybe it's strictly red tape. But, whatever the reason, we are not moving fast enough in this field.

I was still pressing to get the prototype ships underway when the President came out with his atomic showboat plan. Now that, in a way, comes back to what I was talking about, about being so busy with curtain calls that we forget what we are supposed to be doing. He wanted an atomic ship to show the rest of the world. I have been calling since 1950 for one that would work, that would cut costs in shipping, that could iron out the bugs so atomic engines could be installed in our present ships.

In other words, I want one that is practical, one that during the space of a comparatively few years can clear the way for utilizing atomic power on the high seas as we have used it on dry land.

Of course, there is a long way to go before we get our merchant fleet equiped with atomic reactors, but the day will come.

We also should be looking ahead to the day of the atomic engine in airplanes.

Those are some of the problems our 20th century pioneers in industry and Government face right now. There are others. Just as you faced problems in getting this Tacoma Waterway. Before you could effectively move on this project you had to have public backing. The people of Tacoma had to want this project badly enough to fight for it. It reminds me very much of the way the Columbia River was developed, the way we obtained dams at Bonneville, Grand Coulee, Hungry Horse, Chief Joseph, and McNary, and the way we are getting them at The Dalles and John Day and Ice Harbor.

We have been shown the course in hydroelectric projects, but suddenly we have been confronted with a new problem, which I consider to be apathy. Entirely too many of us are resting on laurels at this point. We are so busy taking bows for what has been accomplished, and reciting history to all who will listen, that we forget there is still a job to be done.

Our Northwest won't have complete hydroelectric development until every last dam that can be built economically and face the test of paying back the loan advanced to build it, is constructed, generators installed, and the power surging through the lines to Hanford, or its successor; to Boeing and its B–52's; and to the thousands of industries which aren't here now, but will be when these other dams are completed. Midway in this battle for Northwest development, we have allowed ourselves to be stymied, at least we were until Ice Harbor went into the public works appropriation bill in this 84th Congress.

We had been so busy accepting congratulations that we forgot two things: One is, how the dams were obtained to start with, and, secondly, how we are going to get the rest of them.

Figures used in the latest attack on our area showed a breakdown of what each citizen in the Nation has invested in Pacific Northwest projects.

Congress has known per capita costs ever since starting on the Northwest program. Congress considers that 1.2 billions invested by the Federal Government in Columbia Basin dams, one of the soundest investments the people of this Nation have ever made; for example, the 1954 annual report of the Bonneville Power Administration plainly shows that this investment is being repaid $65 million ahead of schedule. You have to look far in the Nation's portfolio investments to find any more gilt-edged than these. Dams like Grand Coulee, Hungry Horse, Bonneville, McNary, and Chief Joseph not only pay their own way, repay cost of construction plus interest on the money borrowed to build them, but they pay off in other respects too.

Look at the new jobs established in the Pacific Northwest. Look at the B–52's flying away from Boeing Aircraft Co. because we had low-cost power to produce the aluminum that went into the planes. Look at the people employed in that aluminum industry. How much safer is the Nation today because we had low-cost power which would make all this possible.

We are not going to stand by and see our Pacific Northwest development picture discredited in the eyes of the general public through use of slight-of-hand statistics.

We ask the Nation's taxpayers only to advance the money for such great and worthwhile projects so that we can utilize the power, pay for it with interest, and provide employment opportunities for the boys and girls who are growing up in the State of Washington.

My chief concern now, is that sitting at the dawn of victory, we will be content with what we have, will spend our time defending that, instead of fighting on until orderly development of the Snake River is achieved, just as we have done on the Columbia River. As long as there is 1 kilowatt of energy that can be rung economically from the Columbia or the Snake or its tributaries, as long as there is 1 plant that needs to be located in the Pacific Northwest from the standpoint of national security, a higher standard of living, for economic betterment of this Nation, our job has not been completed and we will be letting down those who had the vision and the courage and the stamina to give us this steppingstone to victory.

SENATE

MONDAY, JULY 25, 1955

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

Our Father God, like the dew of the morning on parched ground, like the mystic, quiet summer twilight, steal upon our spirits now, we beseech Thee, as at another week's beginning we bow at this altar of prayer with a sense of eternal values. We bring our fainting hearts to the cool springs of Thy renewing grace. We bring our hands, soiled with the world's uncleanness, to the holiness that shames our unworthiness and yet forgives our iniquities. We bring our restless unstableness to the patience that outlasts our fickleness.

Give us a sobering realization that our individual attitudes go to make the national and international climate of these dangerous days in which we live. By the warmth of our own spirits help us to contribute to the final dispelling of the atmosphere of skepticism and suspicion in which grow only the rank weeds of hatred, which so often are rooted in ignorance. Make us willing partners in the garden of good will, cultivating the flowers of appreciation and understanding which will at last climb over all dividing walls and make the fields of all nations blossom as the rose. We ask it in the dear Redeemer's name. Amen.

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THE JOURNAL

On request of Mr. CLEMENTS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, July 22, 1955, was dispensed with.

REPORT OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Pursuant to the order of the Senate of July 22, 1955,

Mr. HAYDEN, from the Committee on Appropriations, to which was referred the bill (H. R. 7278) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes, reported it favorably, with amendments, on July 23, 1955, and submitted a report (No. 1094) thereon.

MESSAGES FROM THE PRESIDENT

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

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. CLEMENTS, and by unanimous consent, the Judiciary Committee and the Investigating Subcommittee of the Committee on Government Operations were authorized to meet today during the session of the Senate.

CORDELL HULL

Mr. GORE obtained the floor.

Mr. KEFAUVER. Mr. President, will the junior Senator from Tennessee yield in order that I may suggest the absence of a quorum?

Mr. GORE. I am happy to yield, provided I shall not lose my right to the floor.

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

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GORE. Mr. President, it is my sad duty to announce to the Senate the death of the Honorable Cordell Hull, formerly a Member of the House of Representatives, a Member of the United States Senate, and the Secretary of State of the United States. I present on behalf of myself and the senior Senator from Tennessee a resolution and ask unanimous consent for its immediate consideration.

There being no objection, the Senate proceeded to consider the resolution (S. Res. 138), which was read, as follows:

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Cordell Hull, formerly a Senator and Representative from the State of Tennessee, and a former Secretary of State.

Resolved, That the Secretary transmit a copy of this resolution to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the former Representative, Senator, and Secretary of State, the Senate, at the conclusion of its business today, do adjourn.

Mr. GORE. Mr. President, in the passing of Cordell Hull the United States has lost one of her truly great men. From the obscurity of a cabin in the remote Cumberland Mountains of Tennessee he rose to the councils of the world's great and powerful. Even from these summits he towered like a great oak on the peaks of his native hills. His was an exemplary life of service, marked especially by toil and an inflexible devotion to principle.

From woodsman, farmer, student, and soldier, to State legislator, judge, Member of the House, party leader, Senator, Secretary of State, father of the United Nations, and beloved elder statesman, he rose, ever wafted on by the confidence of his fellow men. And I believe, Mr. President, he has now been wafted on to an even greater reward, for from his life and his faith we may take confidence that the peace which he coveted for his fellow men is now, by the grace of a just and loving God, the full and eternal possession of his soul.

Mr. KEFAUVER. Mr. President, I join in the tribute of my colleague, the distinguished junior Senator from Tennessee [Mr. GORE], who for many years represented in the House of Representatives the district which Cordell Hull represented in the House, and whose hometown of Carthage was also the residence of Mr. Hull.

It is with real and deep sadness that I rise to make these feeble remarks about the great statesman from Tennessee, Cordell Hull, who died Saturday. Mr. Hull was a source of sage advice and comfort to those of us who followed him into the Congress and into the Senate from the Volunteer State.

Cordell Hull will always be remembered as a great Tennessean and a great American. He was always cordial to Tennesseans in government and he afforded inspiration to all of us who represent in the Congress the State of Tennessee.

It is noteworthy that practically at the hour of Mr. Hull's death, the President of the United States, attending the meeting of heads of state at Geneva, was emphasizing the necessity for trade among nations as a pathway toward peace.

Mr. Hull, father of our trade policy, was a real and lasting architect of peace. To him also must go much of the credit for our successful sponsorship and participation in the United Nations, which is still our best hope of peace.

During all his life, Cordell Hull gave of himself unselfishly in the service of his country and his fellow man. His place in history is secure, his memory will live long after him.

As Secretary of State and later in retirement, he was always willing to give us his counsel, and many of the things which I and others from Tennessee have done in the House and in the Senate were done after consultation with Cordell Hull. He was in a true sense our elder statesman.

In perhaps one of his greatest and most lasting achievements, his trade program, Cordell Hull was able to grasp a simple fact and apply it to a great international situation. I recall, in reading his memoirs, the story he told about two of his neighbors in the Tennessee mountain country, who innocently planted the seed with him which later was developed in his reciprocal trade-agreement program. Mr. Hull wrote that these neighbors, because of some past misunderstanding, became real enemies. They did not speak to each other on the street, and although both attended the same church, they refused to recognize each other at Sunday services. Then misfortune befell both. One neighbor's mule became lame, and, in the days before mechanized farms, a lame mule was a serious loss to a farmer in the mountainous area around Cordell Hull's home. The other neighbor's feed crop went bad and he had nothing with which to feed his animals. A third neighbor, seeing the situation of the two, proposed a trade. Through his good offices the one with the lame mule provided the food for his neighbor's stock and his neighbor in turn allowed him to make use of his mules. Cordell Hull wrote in his memoirs that these two men became the best of friends. Out of necessity and a trade both realized that they were interdependent upon each other.

Cordell Hull applied this theory among nations. He saw in his program not only an opportunity to improve the economic welfare of all the participating nations but an opportunity to establish lasting friendship between those nations. As he has often said, nations which trade together are not anxious to fight each other. Mr. Hull's entire life was devoted to the great objective of bringing about peaceful relations among the nations of the world. He crowned this achievement with the founding of the United Nations.

It was Cordell Hull's profound belief that no matter how seemingly impossible might be the disagreement between nations, so long as their representatives sit down at the same table and discuss as frankly as possible their divergent viewpoints, there is hope they will find a peaceful solution. The United Nations has borne the brunt of much criticism but I know that Cordell Hull never lost faith in it. I am remindful of the words of President Eisenhower on the occasion of the 10th anniversary of the United Nations. At that time President Eisenhower observed that all our failures would have still been failures had the United Nations not been in existence, but that the United Nations achievements might very well have been failures too.

In the death of Mr. Hull the Nation has lost a great American. The world has lost a great statesman. We shall not soon be able to replace that loss.

I should like to have printed in the RECORD as a part of my remarks an editorial published in the New York Times of Sunday, July 24, 1955, commenting upon Mr. Hull's death and his work.

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

CORDELL HULL

Cordell Hull will rank among our great Secretaries of State beside the foremost statesmen of his time. The epic years in which he served this Nation would alone have given him eminence. His own qualities—his integrity, courage, steadfastness, human dignity, and scope of mind—mark the true measure of his stature.

He began life as an obscure Tennessee farm boy. But he was raised among the traditions which made and kept him a stalwart southern Democrat until the national crisis of the war stripped him of all sectionalism. He was studious but had little schooling, though he remained always a stern and exacting self-teacher. An aptness for debate carried him early into politics and there, save for a brief service at the front in the Spanish-American War, his career lay until ill health forced him to retire.

It was to be a long and constructive life. As President Roosevelt's Secretary of State, he left such a mark upon his time that many have forgotten how long he served his apprenticeship. Except for 2 years as Democratic national chairman, he was a Member of Congress, either as Representative or Senator, from 1907 until he was called into the Cabinet. His work in Congress shaped the economic structure of the Nation in such measures as the income tax, the Federal inheritance tax, and the legislation he had most at heart—the reciprocal trade treaties.

Mr. Hull's interest in the tariff had made him an internationalist and he believed deeply in cooperation and economic disarmament. Indeed, he had begun to achieve it when France, one of the major powers, signed a reciprocal trade treaty in 1936. Even then, however, he foresaw the war that was coming in the rise of the Axis dictatorships. When it came he tried by every legitimate diplomatic means to limit its scope, not by stepping backward but by standing firm, as his President did, against aggression.

The Secretary knew that Japan would strike and believed it would be a foul blow. He issued repeated warnings which were never fully implemented. He lived to see the Axis nations defeated, but his own contribution to victory has still to be revealed when the story of our economic warfare is fully told. More than any other man he was responsible for the solidarity of this hemisphere. He was the spiritual father of the United Nations. If the declaration of Moscow which he personally worked to formulate had been loyally carried out by the Soviets, the problems debated last week at Geneva would have been solved years ago.

Mr. Hull's personal charm was pervading. Politicians understood and respected him as easily as statesmen did. He was amiable, quiet in the courtly southern manner, and even gentle. Yet he did not easily brook opposition. When aroused, fiery language would flow from him in a blistering torrent. He will live long in the fond memory of innumerable friends and in the history of the Nation.

Mr. KEFAUVER. Mr. President, the editorial in the New York Times is typical of the acclaim which has been given to Mr. Hull by the press throughout the Nation, without regard to partisanship. I know of no other man who has received from persons throughout the Nation and the world such universal and unanimous praise for the deeds which he accomplished and the purposes for which he spent his energy and his life than has Mr. Cordell Hull.

Mr. KNOWLAND. Mr. President, I would not want the opportunity to pass without expressing the profound regret of Members on this side of the aisle at the news of the death of former Secretary of State Cordell Hull, who had a long, distinguished career as a Member of the House of Representatives and of the Senate of the United States.

There are few instances in the history of our great country of a longer or more devoted career as a public servant than that of Cordell Hull.

I join with the two distinguished Senators from Tennessee in expressing sadness at the news of Mr. Hull's passing.

Mr. SMITH of New Jersey. Mr. President, it is with deep sorrow that we all heard of the death of our famous and beloved former Secretary of State, Mr. Cordell Hull.

I am one of those who has entertained the greatest admiration for Cordell Hull, and for the outstanding contribution he made in working out the problems of international disputes by methods of peace and cooperation. I join with others in mourning the loss of a great American.

Mr. MANSFIELD. Mr. President, I join with my two distinguished colleagues from Tennessee in expressing my deep sorrow at the passing of a great Secretary of State. Cordell Hull had a distinguished career as a citizen, as a soldier in the Spanish-American War, as a Member of the House of Representatives for many years, as a United States Senator, and as a Secretary of State whose tenure in that office was the longest in the history of our country.

This great man can be called the father of the United Nations and of the idea of reciprocal trade. He was among the first to feel that only in an exchange of ideas and goods can the peoples of the world come to a reasonable settlement of their differences.

The death of Cordell Hull is a loss not only to the State of Tennessee and the United States of America, but to the entire world, as well. I feel deeply the passing of this great man. I only hope that the foundations which he has laid will continue to be built upon, brick by brick, by us who remain.

Mr. HUMPHREY. Mr. President, over the weekend we have lost one of the greatest statesmen of our time. I join with our two distinguished colleagues from Tennessee and with other Senators in paying tribute to the late distinguished Cordell Hull. Mr. Hull served as Secretary of State longer than any other man in our Nation's history. During those years his leadership helped us take our proper place in world affairs.

His counsel always led us in the direction of understanding and good will among nations. His greatest achievements, for which he will be remembered always, were our reciprocal-trade policy, our good-neighbor policy, and the planning and vision that led to the United Nations.

Cordell Hull brought to his task of directing our foreign affairs a long experience of public service. First, as a judge in his native State of Tennessee, then, for many years, as a Member of both this body and also the other House of Congress, he acquired that wisdom and political astuteness that he later brought to the deliberations of the councils of the world.

We of the Democratic Party are especially proud of Cordell Hull. His presence and wise counsel served our party well during the years of his political activity. Most of all, he assumed the Democratic executive committee chairmanship at a particularly troublesome time and worked to strengthen the party with the same firmness of purpose he brought to everything he undertook.

History will note better than we can here the contribution Secretary of State Hull made to world peace; but during his lifetime he was honored with the Nobel peace prize, the highest recognition any statesman can receive.

His efforts at Dumbarton Oaks, and the inspiration he brought to that task, are embodied today in the United Nations. In this, as in all his life's work, Cordell Hull had before him the vision of a world in which men work together rather than wage war against each other. As we move toward that goal along the paths he set for us we shall always remember Cordell Hull for the way in which he served, not only his Nation but all mankind.

Mr. O'MAHONEY. Mr. President, I should like to add my feeble words to those which have been spoken in the Senate today, and which will be spoken, in tribute to Cordell Hull. I was personally acquainted with Cordell Hull over a long number of years. I knew him as a Member of the House. I knew him as a Member of the Senate. I knew him as the great Secretary of State he was.

After the retirement of Cordell Hull, through the circumstances of our both living in the same hotel I had frequent conferences with him. Throughout this long period, I can give personal testimony to the fact that I have known no man in public life who was more devotedly dedicated to the basic principles of freedom than was Cordell Hull. He worked and labored and built, not for temporary results, but for permanent accomplishment. The fame that is his will be a permanent fame, for it was he who had the wisdom to point out the roadway down which we should travel to achieve a steadily enlarging circle of free governments, popular control of government, good neighborliness among all the peoples of the world, and the advancement of human welfare and mutual understanding.

The Nation has suffered a great loss in the passing of Cordell Hull, one of the great men, not only of our time, but in the whole life of this Nation.

Mr. SPARKMAN. Mr. President, I wish to join with my colleagues in paying tribute to the great man who has just left us after a long and fruitful life.

Cordell Hull served first in the House of Representatives. He then had outstanding service in the Senate. He became the Secretary of State in one of the most troublesome periods of the world's history.

As has been pointed out several times already, he served longer as Secretary of State than did any other person in the history of the United States. It was during that time that convulsions were

occurring throughout Europe, and, indeed, throughout the whole world, which led eventually to World War II. Cordell Hull continued to serve as Secretary of State during practically all of World War II.

As has been pointed out, Cordell Hull was the author of the good-neighbor policy, which might very well be called the forerunner of the later point 4 program, the technical-assistance program, because I know the pattern in both programs was the same. Cordell Hull was the author of the Reciprocal Trade Agreements Act.

I recall, Mr. President, nearly 3 years ago, when I was in the Bethesda Naval Hospital for a week, my room was near that of Mr. Hull's. One day, while I still was not able to leave my room, Cordell Hull came to call on me. A few days later, when I was able to move about, I went by his room and had a very pleasant visit with him. I shall never forget his very earnest dissertation at that time on the Reciprocal Trade Agreements Act and its possibilities. He told me something of the things he had dreamed for it when he originally advocated it. He said that while some of those goals had been attained, there was much more that remained to be done.

I think Mr. Hull may very well be described as the father of the United Nations. It was during the time he was Secretary of State, and under his leadership, that various conferences were held which led up to the eventual formulation of the United Nations Charter. He was, indeed, a great statesman, who wrought well over the long years.

Mr. President, I should like to touch very briefly on the fact that last night I received a telephone call from a representative of the Nashville Tennessean, at Nashville. I was told that the suggestion had been made there that there should be erected in Washington a memorial to Mr. Hull, to be paid for by popular subscriptions throughout the country. I was asked for my comment. I said I knew of no man in the Nation's history who was more deserving of a lasting memorial than was Cordell Hull, and that I thought it would be entirely proper and appropriate for such a memorial to be provided by appropriations made by Congress, but that, of course, it would be a much more fitting memorial if it should be paid for by popular subscription.

I hope that we may keep this thought in mind, and that there may be provided for the generations yet to come a fitting memorial to this great American, who will long live in the hearts of those whom he served so well.

Mr. WILEY. Mr. President, I rise to join in the expressions of other Senators who have spoken in memory of a great American, Cordell Hull. When I first came to Washington, or shortly thereafter, it was my privilege to be summoned to Mr. Hull's office when he was Secretary of State. We had a long discussion. Many things that took place in that discussion were also of a humorous nature. Subsequently I met Mr. Hull from time to time. It was also my privilege to visit with him in his home. On that particular occasion, which I think must have been 3 years ago, he gave me a set of his books, some of which he autographed.

Men come and men go, but the principles for which men live abide. He was a lawyer in his home State. He came up, as it were, the hard way. Yet, out of the grist of a general legal practice, he developed into a man with world vision, a man whose mind was not closed to the fact that he was living in a changing world. This man, whose home was in a small town in a mountain State, lifted his vision to include the whole world. It has been said that Cordell Hull had a great deal to do with the establishment of the United Nations. The point is that he sensed that the time was ripe when the problems of the world had to be met by some kind of coordinated effort and by an improved mental attitude on the part of people everywhere.

I enjoyed very much my various contacts with him. I learned much from him. He was a man of deep, but simple, faith. He believed in the fundamental things that are right.

He made a profound contribution to the welfare of the Nation. When historians 50 or 100 years from now write the history of this age, certainly Cordell Hull will not be overlooked, because he stood for the expanding principles which are so necessary in this expanding world.

Mr. BARKLEY. Mr. President, I have learned with a deep sense of depression and sorrow of the death of Cordell Hull. He belongs to the category of men who, it seems to me, should never die.

When I came to the Congress of the United States on March 4, 1913, Cordell Hull was then a Member of the House of Representatives from the State of Tennessee. On the same day, SAM RAYBURN, now the Speaker of the House, entered that body; and a little before that time, CARL HAYDEN, now a Member of the Senate, had entered it. So SAM RAYBURN, the present Speaker of the House of Representatives; CARL HAYDEN, the present senior Senator from Arizona, and chairman of the Appropriations Committee; and I, are the only three Members of the Congress of the United States who then were serving in the House of Representatives with Cordell Hull.

Cordell Hull wrote the first income-tax law ever enacted in the United States; it was written as a part of the Underwood Tariff Act of 1913.

I served with Cordell Hull for many years in the House of Representatives, and later in the Senate. His family and mine were intimate friends. I would not detain the Senate by referring to our intimate personal friendship, but I wish to express my profound admiration, respect, and adoration, if I may use that term, for this great statesman from Tennessee.

Not only did I serve with him for a good many years in the House of Representatives, and followed his leadership there but later I served with him in the Senate. I came to the Senate in 1927; and, as I recall, he entered the Senate in 1931.

I remember that when he was Secretary of State, he asked me to get together an equal number of Democratic and Republican Senators, to consider the charter of the United Nations. In my younger days in the House of Representatives, following World War I, I had been a supporter of the League of Nations, of which the United States never became a member. When World War II was drawing to a close, I recall that Secretary Hull asked me, as majority leader of the Senate, to get together an equal number of Democratic and Republican Senators, to consider the work of Dumbarton Oaks, which laid the foundation for the charter of the United Nations, in order that we might discuss that charter as a preliminary activity to the San Francisco Conference, which had been called for April 25, as I recall, 1945.

I remember those conferences in which I, as majority leader of the Senate, participated, along with Senator Tom Connally, of Texas, then chairman of the Senate Committee on Foreign Relations; Senator George, of Georgia; and Senator Gillette, of Iowa—four Democratic Senators—and from the opposite side of the aisle, Senator Vandenberg, of Michigan; Senator Wallace White, of Maine; Senator Warren Austin, of Vermont; and Senator Robert La Follette, Jr., of Wisconsin. So an equal number of Members from both sides of the aisle of this Chamber participated in the conferences. We were attempting to work out the fundamental ideals of a charter which would be applicable to the entire world; and these were submitted to the San Francisco Conference in April 1945, and finally became the fundamental ideals of the United Nations.

Mr. President, I am proud of those associations. I am proud of my relationships with Cordell Hull when he was a Member of the House of Representatives, when he was a Senator, and, later, when he was the Secretary of State. He served as Secretary of State longer than any other person in the history of the United States.

Cordell Hull was born in a log cabin in Tennessee, and served as a judge in a rugged era of Tennessee history and United States history. Later, he served in the House of Representatives, as a pioneer in the great enterprise of attempting to tax the American people according to their ability to pay. Later, he served in the Senate of the United States; and, subsequently, he served as the Secretary of State in a pioneer era, in a sense, in the development of our relationships with other nations. Cordell Hull was the author of the Good Neighbor policy between the United States and the Republics of Central America and South America.

Mr. President, I am sure the Senate will understand my profound sorrow and grief over the death of this great statesman, my profound admiration for his public service and his character, and my belief that as history unfolds, Cordell Hull, in every respect, for the fine ability he evidenced in all the levels of government in which he served, and for his approach to the great problems which faced our country and the world during his

illustrious career, will be accorded a position among the statesmen of the United States and of the world that will not be excelled by any other man in our history.

For him I entertained a deep personal affection. For his lovely wife, who preceded him to the grave, my family entertained an affectionate regard. On the basis of my service with him in the House of Representatives and in the Senate, and on the basis of my relationships with him as Secretary of State, I shall always carry with me a happy and a profound appreciation of his character, his service, and his great name among the statesmen of America.

Mr. GEORGE. Mr. President, I wish to identify myself with the sentiments expressed by the distinguished junior Senator from Kentucky [Mr. BARKLEY] and other Members of this body.

I first knew Cordell Hull when he was a Member of the House of Representatives. I knew him rather intimately because he discussed with me many problems, particularly those relating to taxation and tariffs. He had a profound conviction that our tariff laws should be modified in the interest of a larger and freer interchange of goods among all the countries of the world.

I knew him when he was associated with the national committee of the party to which he belonged. I knew him when he came to the Senate. I knew him when he became a member of the Senate Committee on Finance, with which I have been identified for a long time. For many years in the House he had been a member of the Ways and Means Committee, which is the corresponding committee in the House.

He was a valuable member of the Senate Committee on Finance. His thought was constantly directed toward an enlargement of trade and commerce. He really did not deserve the opinion which gradually developed, that he was entirely a freetrader. He was never that, but he was a man of liberal views, and favored liberal trade policies and programs.

I knew him as Secretary of State. I knew him during the Dumbarton Oaks consideration of what subsequently became the basis or nucleus of the treaty which we now know as the United Nations Treaty.

As the distinguished Senator from Kentucky well recalls, I knew him in many conferences with respect to the formulation of some program for peace after the end of the war in which we were then engaged.

I knew him on that fateful day when he received notice of the treachery of the Japanese collaborators here, when he thought they had broken all faith that men of honor and character display toward one another.

I knew him in later days, when the war came on. I knew him also when he undertook to serve this country in important conferences in the Far East, or, as we say now, in the Soviet areas of the world.

I had an intimate acquaintance with the Secretary of State, because I had known him as a Member of the Senate and as a member of the Finance Committee. I had known him as a man of far-visioned approach to all the problems which confront mankind.

He was never little. He was never provincial. He never held narrow views or opinions, although from his experience and background one might have thought that he might have been somewhat narrow in his opinions and decisions.

He was a man of great breadth of understanding and great breadth of character and vision. He always seemed to me to be thinking beyond the present hour and day, not only with respect to the Senate and the United States, but in contemplation of a better day for a greatly enlarged and expanded world. Yet he was never anything but a realist. He was strictly a realist. He was devoted to realism in its true sense. He was never swept off his feet by emotion. He was a man of great character, unswerving devotion to principles, and particularly to what he thought were first and abiding principles.

I remember very well when he returned from his trip to Moscow. I had a personal conversation with him. He expressed himself freely to me as an individual, because he had known me in the Senate and in committee. I have never forgotten the wise observations which he made.

Cordell Hull was not a narrow-minded man. He looked beyond the immediate day in which he lived. He knew that the world was expanding and growing. He knew that greater problems were coming to face mankind by the hour, by the day, by the month, and by the year. He was always ready to meet them.

I remember him in the great campaign which brought about the election of President Franklin D. Roosevelt. I remember how earnestly he felt that it was in the interest of this country and of the world that there be a change in our political philosophy and in our outlook on world affairs.

He thought first, of course, of domestic affairs, but he also thought of world affairs, and never overlooked the importance of world affairs in undertaking to draw a picture of what the world ought to be like, at home as well as abroad.

I remember very well the part he played in the formation of the Cabinet of President Roosevelt. On more than one occasion he discussed with me—and doubtless with many other friends in the Senate—the advisability of this appointment or that appointment. He was earnestly devoted to the creation of a strong administration, an administration with a real vision, a vision in behalf of the people of this country.

He was not a man who appealed to the dramatic. He did not seek the limelight. He did not court public opinion, or even the opinion of the press and the friendly consideration of the fourth estate. But he felt always that this country had a great mission in the world. He believed that its mission was to become the leader of the world, not in the sense of dominating, not in the sense of dictating, but only in the sense of forming and furnishing a leadership which would be helpful to mankind.

Perhaps he was misunderstood in his day. However, beyond all doubt, Cordell Hull was a man of genuine integrity. He was a man who thought honestly of the problems which faced the United States and the world. He never lost sight of the great opportunity he thought this country had to serve the real interests of mankind.

He was to me a friend and a counsellor. His wife was a devoted friend of my family. When she passed away, in March of last year, I knew it could not be very long before Cordell Hull, too, would go. She was truly a helpmeet, truly an adviser, and truly a faithful friend in the solution of all his problems.

Perhaps in connection with what we now refer to as the reciprocal trade agreements, I knew him more intimately than any other Member of the Senate. He came to me early and he said, "We must make some progress toward a repeal of the high prohibitive tariffs. We must get away from the monopoly idea, which takes such a strong hold upon so much of our business community. This is the best approach to take I know of."

We talked it over. I was then a member of the Committee on Finance. I assumed the burden at the request of Senator Pat Harrison, my beloved friend from Mississippi, who was then chairman of the committee. I said I would do the best I could with the program. It was a long time ago. However, Cordell Hull never lost interest in that program. He knew very well that it was imperfectly administered. He knew very well it was not properly adjusted here and there. But he had a strong faith in his belief that if the world could trade together on a more liberal basis it would finally understand itself better, and all segments of the world would begin to know each other better.

I knew Cordell Hull very well in those days, and in the long number of years that followed the original Trade Agreements Act. He knew what we had to encounter in the Senate. He had been a Member of the Senate. He knew very well what the call of the American people was for protection. He acquired, as I have already said, the deceptive term of freetrader. He was never, in fact, an outright freetrader. He was a realist. He believed we could have more liberal trade policies with the world and survive. He felt we could better survive if we had such trade policies.

I knew Mr. Hull very intimately as a personal friend. I knew him when he advised with President Roosevelt about the selection of his Cabinet. He came to me particularly with respect to two members of it. I will not call their names. They were mentioned. They were named.

Mr. Hull had a profound respect and a very great confidence in the rectitude of his own course, because he felt he was right. He looked at the world objectively, not through narrow partisan glasses, as one might think would be done by a man from the border between Tennessee and Kentucky line. He understood the South because he was a part of it. He understood the middle section of the country. He understood

all parts of the United States. He was predominantly an American. He had no prejudices, as such, which kept him from knowing the virtues and the strength and the integrity and the sterling character of men and women throughout the Union.

I am very happy to pay my feeble tribute to him. I have always regretted that he outlived his good wife. But such is the order of things in the divine providence of our human affairs. I have always been glad that I knew Cordell Hull, that I knew him as a man, that I knew him as a committee associate, that I knew him on this floor, and that I knew him as a man of real worth.

He had no sympathy with false pretense. He had no understanding of sham. He was a genuine American. Perhaps he was of the old school, and maybe of the old type. However, he was of that fiber of men and women who have contributed to the lasting growth and prosperity and honor of a great Nation.

Long years he served in public life. He served longer than any other man as Secretary of State. Yet in no phase of his career was there ever an incident which will ever leap to light to shame Cordell Hull and his memory.

Mr. GORE. Mr. President, in conclusion, I wish to express the appreciation of the people of Tennessee and of my colleague and myself, but particularly of the people of Judge Hull's hometown—his neighbors, his friends, and his relatives—for the magnificent tributes which have been paid to his memory today.

As I left Carthage this morning, the people of that small community had their heads bowed in sorrow, and yet in appreciation.

The VICE PRESIDENT. The question is on agreeing to the resolution submitted by the Senator from Tennessee [Mr. GORE].

The resolution (S. Res. 138) was unanimously agreed to.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. CLEMENTS. Mr. President, under the rule, there will be a morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine matters, and I ask unanimous consent that statements made in connection therewith be limited to 2 minutes.

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

EXECUTIVE SESSION

Mr. LANGER rose.

Mr. CLEMENTS. Mr. President, there is only one matter on the Executive Calendar to be taken up. I know my friend from North Dakota sat through a full day's session of the Senate a few days ago, waiting for the confirmation of two fine appointments to the judiciary in his State. If he objected to the consideration of the Executive Calendar at this time, I would understand.

Mr. LANGER. I certainly shall not object.

Mr. CLEMENTS. If he does not object, I should like to have the Senate take action on the one nomination on the Executive Calendar at this time.

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

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

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

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

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on Armed Services.

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

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Foreign Relations:

Charles W. Yost, of New York, a Foreign Service officer of class 1, now Envoy Extraordinary and Minister Plenipotentiary of the Kingdom of Laos, to be Ambassador Extraordinary and Plenipotentiary to the Kingdom of Laos; and

Julian F. Harrington, of Massachusetts, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the Republic of Panama.

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

COLLECTOR OF CUSTOMS

The Chief Clerk read the nomination of William J. Nixon, of Idaho, to be collector of customs, district No. 33.

Mr. MANSFIELD. Mr. President, it may seem a bit odd that a Democratic Senator is opposing the nomination of a Republican nominee from the State of Idaho for a position in the State of Montana, but the ironical part, I suppose, is that my distinguished colleague, the senior Senator from Montana [Mr. MURRAY] and I would like to see a Montana Republican appointed to this job. There are many good Montana Republicans who could fill this position but, by this appointment, the opportunity is being denied them.

I am not objecting to a Republican nominee for this post, for I recognize the prerogative of the Executive to appoint members of his party to fill vacancies. My objection is that this appointment should be made in Montana instead of Idaho. It was my understanding that a Montanan was recommended by the State Republican central committee for the post, but was rejected.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a copy of the statement I made before the Committee on Finance relative to the nomination of Mr. Nixon to be collector of customs for customs collection district No. 33, with headquarters at Great Falls, Mont.

I should like to state that my distinguished colleague [Mr. MURRAY] also joins me in opposition.

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

STATEMENT BY SENATOR MANSFIELD BEFORE COMMITTEE ON FINANCE

COLLECTOR OF CUSTOMS APPOINTMENT

Mr. Chairman, my purpose in appearing befor this committee today is to protest the nomination of William J. Nixon, of Idaho, to be collector of customs for customs collection District No. 33, with headquarters at Great Falls, Mont.

First, I want to express my appreciation to the committee for holding up consideration of this nomination until the return of my distinguished colleague, the senior Senator from Montana, Mr. MURRAY, who was attending the International Labor Organization Conference in Geneva.

I am not objecting to a Republican nominee for this post for I recognize the prerogative of the Executive to appoint members of his own party to fill vacancies. My objection is that this appointment should be made in Montana, instead of Idaho. It is my understanding that a Montanan was recommended by the State Republican Central Committee for this post, but it was rejected.

As you know the Government maintains a series of ports of entry along the Canadian border. The Idaho-Montana line bordering Canada forms district No. 33 and a quick glance at a map will show that the portion of Montana bordering our northern neighbor comprises by far the largest portion of district No. 33. There are 540 miles of common border between Montana and Canada with 11 ports of entry. The Idaho border is only 56 miles long, with 2 ports of entry and is largely mountainous terrain.

The Montana ports of entry are much more active and are direct routes to Canadian business centers such as Regina, Edmonton, Calgary, and Banff National Park. This past week I was notified that the hours at the Montana stations would be extended from 9 to 13 hours per day because of increasing north and south traffic. The Montana ports of entry do about $35 million worth of business annually. In contrast the two stations in Idaho do only $1 million worth of business annually, less than 3 percent of the Montana total.

In view of the facts just stated the most logical place to look to fill this vacancy would be in Montana. The appointee should be familiar with the conditions in the portion of the district doing the greatest volume of business. He should also be a resident of the State in which the headquarters are located.

The Executive nomination sent to the Senate is that of an Idaho man, one who is undoubtedly capable but completely unfamiliar with the customs situation in district No. 33. This post has traditionally gone to a Montanan and should continue to do so. The records do not show an out-of-State appointee in this post at any time.

I feel that a Montana administrator can do a better job as collecter than a nonresident in a position which deals almost exclusively with Montana affairs. There are numerous persons in my State who can qualify for this position.

Mr. Chairman, I respectfully request that this committee request the administration to withdraw the name of Mr. Nixon so the name

of a Montana candidate can be sent to the Senate for confirmation.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination of William J. Nixon to be collector of customs for customs district No. 33?

The nomination was confirmed.

Mr. CLEMENTS. Mr. President, I ask that the President be notified forthwith of the nomination today confirmed.

The VICE PRESIDENT. Without objection, the President will be notified.

LEGISLATIVE SESSION

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

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

EXECUTIVE COMMUNICATIONS, ETC.

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

ESTABLISHMENT OF DATE OF RANK FOR PAY PURPOSES FOR CERTAIN NAVAL RESERVE OFFICERS

A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation to establish a date of rank for pay purposes for certain Naval Reserve officers promoted to the grades of lieutenant and lieutenant commander (with an accompanying paper); to the Committee on Armed Services.

REPORT ON NUMBER OF OFFICERS ASSIGNED TO DUTY IN EXECUTIVE ELEMENT OF AIR FORCE AT SEAT OF GOVERNMENT

A letter from the Director, Legislative Liaison, Department of the Air Force, reporting, pursuant to law, that as of the end of the fourth quarter of the fiscal year 1955 there was an aggregate of 2,720 officers assigned or detailed to permanent duty in the executive element of the Air Force at the seat of Government; to the Committee on Armed Services.

REPORT ON BORROWING AUTHORITY

A letter from the Director, Office of Defense Mobilization, Executive Office of the President, transmitting, pursuant to law, a report on borrowing authority, for the quarter ended March 31, 1955 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF FEDERAL BUREAU OF NARCOTICS

A letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, the annual report of the Federal Bureau of Narcotics for the calendar year ended December 31, 1954 (with accompanying report); to the Committee on Finance.

REPORT ON THE MINIMUM BENEFIT UNDER OLD-AGE AND SURVIVORS INSURANCE

A letter from the Acting Secretary, Department of Health, Education, and Welfare, transmitting, pursuant to law, a report entitled "The Minimum Benefit Under Old-Age and Survivors Insurance" (with an accompanying report); to the Committee on Finance.

REPORT ON PROGRESS IN CONSTRUCTION OF SANTA MARGARITA PROJECT, CALIFORNIA

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, that, pending the settlement of the case of *United States* v. *Santa Margarita Mutual Water Company*, now before the Court of Appeals for the Ninth Circuit, no determination can be rendered by the Department of the Interior as to the economic and engineering feasibility of the Santa Margarita project; to the Committee on Interior and Insular Affairs.

FILING OF VESSEL UTILIZATION AND PERFORMANCE REPORTS BY OPERATORS OF CERTAIN VESSELS

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend title II of the Merchant Marine Act, 1936, as amended, to provide for filing vessel utilization and performance reports by operators of vessels in the foreign commerce of the United States (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

EXPERIMENTAL OPERATION AND TESTING OF VESSELS OWNED BY THE UNITED STATES

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend title VII of the Merchant Marine Act, 1936, as amended, to provide for experimental operation and testing of vessels owned by the United States (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

AUTHORIZATION FOR MEDALS AND DECORATIONS IN THE UNITED STATES MERCHANT MARINE

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize medals and decorations for outstanding and meritorious conduct and service in the United States merchant marine, and for other purposes (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

REPORT OF CLAIMS SETTLED UNDER MILITARY PERSONNEL CLAIMS ACT OF 1945

A letter from the Secretary of the Army, transmitting, pursuant to law, a report of the claims settled under the Military Personnel Claims Act of 1945, by the Department of the Army, for the fiscal year 1955 (with an accompanying report); to the Committee on the Judiciary.

REPORT OF TORT CLAIMS PAID BY DEPARTMENT OF THE ARMY

A letter from the Secretary of the Army, transmitting, pursuant to law, a report of tort claims paid by the Department of the Army, for the fiscal year 1955 (with an accompanying report); to the Committee on the Judiciary.

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. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

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

By the VICE PRESIDENT:

A resolution of the Executive Council of the Commonwealth of Massachusetts; to the Committee on the Judiciary:

"Whereas the Refugee Relief Act passed by the Congress in 1953 proposed admission for 209,000 immigrants to the United States prior to December 31, 1956; and

"Whereas only 30,000 visas under this act have been issued when well over half the time during which these people may be admitted has expired; and

"Whereas the President of the United States has requested that this act be substantially amended in order to obtain the objectives of the act: Now, therefore, be it

"*Resolved*, That this council favor the amending of the Refugee Relief Act along the lines recommended by the President to the present session of the Congress, and that copies of this resolution be sent to the President, the majority and minority leaders of the United States Senate, and to the Speaker, the majority and minority leaders of the House of Representatives.

"Adopted in council July 21, 1955.

"CLARENCE R. ELAM,
"*Executive Secretary.*"

A resolution adopted by the National Council of the Junior Order United American Mechanics, relating to revolutionary activities in the United States; to the Committee on the Judiciary.

The petition of Frank A. Hourihan, of Chicago, Ill., praying for a redress of grievances; to the Committee on the Judiciary.

A resolution adopted by the National Council of the Junior Order United American Mechanics, relating to the improvement of the free public schools; to the Committee on Labor and Public Welfare.

FEDERAL AID FOR HIGHWAY CONSTRUCTION—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD, a resolution adopted by the board of city commissioners of the city of Fargo, N. Dak., protesting against the enactment of the bill (H. R. 7072) to amend and supplement the Federal Aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to authorize appropriations for continuing the construction of highways, and for other purposes.

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

Resolution

Whereas on June 28, 1955, Representative FALLON introduced H. R. 7072 in the House of Representatives; and

Whereas section 7 of said H. R. 7072 reads as follows: "SEC. 7. (a) Subject to the conditions contained in this section, 50 percent of the cost of relocation of utility facilities necessitated by the construction of a project on the Federal primary or secondary highway systems or on the National System, including extensions thereof within urban areas, may be paid from Federal funds whenever, under the laws of the State where the project is being constructed, the entire relocation cost is required to be borne by the utility. (b) For the purposes of this section, the term 'utility' shall include publicly, privately, and cooperatively owned utilities. (c) For the purposes of this section, the term 'cost of relocation' shall include the entire amount paid by such utility properly attributable to such relocation after deducting therefrom any increase in the value of the new facility and any salvage value derived from the old facility. (d) Any utility required to relocate a facility in connection with projects undertaken pursuant to this act shall be entitled to reimbursement for its share of the costs thereby incurred. The Secretary is authorized to make such payments on the basis of an agreement approved by him, entered into between the State highway department and the utility, which agreement shall contain an estimate or an agreed price of the cost of relocation. In lieu of such agreement, the

utility may file with the State highway department a certified statement of the cost of relocation, subject to the approval of the State highway department. The State highway department shall transmit such statement to the Secretary with the final voucher for approval by the Secretary;" and

Whereas the bill was referred to the Committee on Public Works and will shortly be before the House for action: Now, therefore, be it

Resolved by the board of city commissioners, That the city of Fargo of the State of North Dakota hereby opposes the passage of H. R. 7072 because of the provisions contained in the above-quoted section 7 for the reason that it may cause a reduction in the allocation of Federal funds for highway construction; be it further

Resolved, That copies of this resolution be mailed to each of the Senators and Representatives in the Congress of the United States from North Dakota.

RESOLUTIONS OF OREGON STATE GRANGE

Mr. NEUBERGER. Mr. President, the Oregon State Grange has a long record of outstanding leadership in matters of public policy in my home State. Members of this progressive farm organization played a major role in enactment of such advances as establishment of the initiative and referendum, which eventually became known as the Oregon system for direct legislative action by the people. Also, they have led the fight in Oregon for sound development of natural resources and for equitable distribution of the benefits derived from those resources.

At its 1955 session in Klamath Falls, Oreg., June 6 to 10, the Oregon State Grange adopted a number of resolutions which show that the Grange's historic tradition of forward-looking action is being continued. I ask consent to have printed as a part of my remarks, the text of three resolutions which were forwarded to me by the distinguished master of the Oregon State Grange, Elmer McClure.

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

Whereas there are large acreages of dry land in the Klamath district that can be irrigated provided power is made available at a cost low enough to economically operate the pumps; and

Whereas there is now water available to irrigate these acreages, and bring them into full production, provided we get action in the near future, otherwise we will lose it forever to more progressive and water hungry districts down the river; and

Whereas it has been the experience of other cities that when 2 or 3 mill power becomes available population increases rapidly, due to the demand for labor by the many new industries attracted to the city and by the many employees needed by the expanding business district; and

Whereas the Bonneville Administration, recognizing the need in the Klamath district for their life-giving power, built a hi-line southward to satisfy that need, and when the line had almost reached the city limits it was taken over without moral or legal right, by the California Oregon Power Co., thus nullifying the reason for its existence and thus blighting the whole Klamath Basin with the burden of costly electric power: Therefore be it

Resolved, That we urge our Senators and Representatives in the Congress to do everything in their power to secure the return of the hi-line to the Bonneville Administration to the end that it may fulfill the purpose it was intended to accomplish; and be it further

Resolved, That we urge all citizens and organizations interested to bend their energies to accomplish this most desired result.

WHEAT CERTIFICATE PLAN

Whereas our national economy and well-being depend on a prosperous agriculture; and

Whereas wheat is a basic agricultural product; and

Whereas the production of wheat was regulated as a war measure and a surplus built up for a backlog of food during the Korean conflict; and

Whereas parity price represents a reasonable price relative to cost of production; no business can be expected to survive at 90 percent of a reasonable price; and certainly cannot at 82 percent or 75 percent; and

Whereas we as farmers do not favor subsidies unless in emergency and feel that each product should pay its own way when possible; and

Whereas we feel that the American farmer is entitled to his home market at a parity price, and also should have free access to other markets on a supply and demand basis in order to make his own adjustments, without further large Federal expenditures; and

Whereas the wheat certificate price plan formulated by the Oregon Wheat League comes much nearer meeting these requirements than rigid or flexible support programs and other plans that have been proposed: Therefore be it

Resolved, That we endorse the wheat certificate plan advocated by the Wheat League; that we urge our Representatives and Senators to work for its enactment, and ask our Secretary of Agriculture to take note of our views.

SOCIAL SECURITY BENEFITS

Whereas the present law limiting the amount ($1,200 in any year) which a wage earner or self-employed person may receive through a gainful occupation, and still be eligible for social-security benefits, places a premium on idleness and deprives the industrious persons who do work from receiving the insurance benefits for which they have paid, and reduces them to a substandard living: Therefore be it

Resolved, That the Oregon State Grange go on record as opposing any such limitation on individual earnings and ask the Congress to repeal such provisions; and be it further

Resolved, That copies of this resolution be sent to the National Grange and to our Sentors and Representatives in Congress.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. O'MAHONEY, from the Committee on the Judiciary, without amendment:

H. R. 6454. A bill to amend the joint resolution approved August 30, 1954, relating to the establishment of the Woodrow Wilson Centennial Celebration Commission, and for other purposes (Rept. No. 1096).

By Mr. KILGORE, from the Committee on the Judiciary, without amendment:

S. 433. A bill for the relief of Markos Demetrius Spanos (Rept. No. 1097);

S. 1125. A bill for the relief of Stephen Fodo (Rept. No. 1098);

S. 1226. A bill for the relief of Soterios Christopoulos (Rept. No. 1099);

S. 1299. A bill for the relief of Mrs. Esteni Rodriguez Estopinan de Witlicki (Rept. No. 1100);

S. 1348. A bill for the relief of Anna Jerman Bonito (Rept. No. 1101);

S. 1357. A bill for the relief of Ingeburg Edith Stallings (nee Nitzki) (Rept. No. 1102);

S. 1594. A bill for the relief of Dosinda Gonzalez Mendez (Rept. No. 1103);

S. 1676. A bill for the relief of Antonio Domenico Narciso Bianchi (Rept. No. 1104);

S. 1682. A bill for the relief of Maria del Carmen Intriago Martinez (Rept. No. 1105);

S. 1706. A bill for the relief of Spyridon Saintoufis and his wife, Efrossnin Saintoufis (Rept. No. 1106);

S. 1732. A bill for the relief of Panagiotis Nicolas Lalos and his wife, Antyro Panagiotis Lalos (Rept. No. 1107);

S. 1882. A bill for the relief of Constantine Salmon (Rept. No. 1108);

S. 1888. A bill for the relief of Cesare Picco (Rept. No. 1109);

S. 1972. A bill for the relief of William Theodore and Emily Sansur Saad (Rept. No. 1110);

S. 1973. A bill for the relief of Toufic N. Jildeh (Rept. No. 1111);

S. 1983. A bill for the relief of Myra Louise Dew (Rept. No. 1112);

S. 2036. A bill for the relief of Rosa Roppo (Rept. No. 1113);

S. 2575. A bill for the relief of Mrs. Gertrud Hildegard Nichols (Rept. No. 1114);

H. R. 939. A bill for the relief of Laura Safir (Rept. No. 1115);

H. R. 999. A bill for the relief of Nurith Spier (Rept. No. 1116);

H. R. 1159. A bill for the relief of Anna Histed (nee Wiesneth) (Rept. No. 1117);

H. R. 1160. A bill for the relief of Vittorio Capano (Rept. No. 1118);

H. R. 1976. A bill for the relief of Luigi Tomasella (Rept. No. 1119);

H. R. 2788. A bill for the relief of Miguel Sandoval-Michel (also known as Arturo Rodriguez-Gomez) (Rept. No. 1120);

H. R. 3626. A bill for the relief of Ilse Werner (Rept. No. 1121);

H. R. 3856. A bill for the relief of Leopoldine Simonetti (Rept. No. 1122);

H. R. 3956. A bill for the relief of Elizabeth Rotics Whitney (Rept. No. 1123);

H. R. 4970. A bill for the relief of Edeltraudt Margot Gallagher, nee Hackelberg (Rept. No. 1124);

H. R. 5080. A bill for the relief of Florence E. McConnell (Rept. No. 1125);

H. R. 5767. A bill for the relief of Sally S. Shulman or Zeli Sholman (Rept. No. 1126);

H. R. 6002. A bill for the relief of Helene Rapp (Rept. No. 1127);

H. R. 6036. A bill for the relief of Mrs. Florentine Kintzel (Rept. No. 1128); and

H. R. 6896. A bill for the relief of Luisa Guidi Miller (Rept. No. 1129).

By Mr. KILGORE, from the Committee on the Judiciary, with an amendment:

S. 366. A bill for the relief of Bart Krijger (Rept. No. 1130);

S. 421. A bill for the relief of Jose Alvarez (Rept. No. 1131);

S. 1105. A bill for the relief of Mrs. Lieselotte Emilie Dailey (Rept. No. 1132);

S. 1787. A bill for the relief of Edith Kalwies (Rept. No. 1133);

S. 1905. A bill for the relief of Winston Bros. Co. and the Utah Construction Co. and the J. A. Terteling & Sons, Inc. (Rept. No. 1134);

S. 2053. A bill for the relief of Ivan Gerasko (Rept. No. 1135);

H. R. 1393. A bill for the relief of the E. J. Albrecht Co. (Rept. No. 1136); and

H. R. 5546. A bill for the relief of Francisca Alemany (Rept. No. 1137);

By Mr. KILGORE, from the Committee on the Judiciary, with amendments:

S. 1118. A bill for the relief of Katharine Schneeberger (Rept. No. 1138); and

S. 1933. A bill for the relief of Dr. Elpedio Dosado, Aurelia, wife, and Deanna, Elpedio, Jr., and Ambrosia, their children (Rept. No. 1139).

PROPOSED BANK HOLDING COMPANY ACT OF 1955—REPORT OF A COMMITTEE

Mr. ROBERTSON. Mr. President, from the Committee on Banking and Currency, I report favorably, with an amendment, the bill (S. 2577) to define bank holding companies, control their future expansion and require divestment of their nonbanking interests; and I submit a report (No. 1095) thereon. I ask unanimous consent that an explanatory statement I have prepared concerning S. 2577 be printed in the RECORD at this point.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar; and, without objection, the statement will be printed in the RECORD.

The statement presented by Mr. ROBERTSON is as follows:

The present law regulating bank holding companies was enacted as part of the Banking Act of 1933, commonly known as the Glass-Steagall Act. The existing law is concerned primarily with the soundness of the banking affiliates of the holding companies and covers only 18 bank holding company groups. The expansion of bank holding companies and their acquisition of nonbank interests are not subject to regulation under the present law.

Since 1933 there has been a tremendous development in the operation of bank holding companies, especially in the north and northwest sections of our country. The need for further regulatory powers over bank holding companies was recognized in 1947 by the Board of Governors of the Federal Reserve System, which administers this law. In that year, the Chairman of the Board, Marriner S. Eccles, submitted a proposed bill to the Senate Banking and Currency Committee to give the Federal Reserve Board a greater measure of control over bank holding companies. The proposed legislation was endorsed by the American Bankers Association and the Independent Bankers Association, and was reported favorably by the committee. However, the Senate adjourned without taking action on the bill.

In 1950 the then Chairman of the Federal Reserve Board, Thomas B. McCabe, renewed the advocacy of the Board for greater powers over bank holding companies. I introduced a bill on the subject which was likewise endorsed by the American Bankers Association and the Independent Bankers Association. One important feature of my bill was the provision for dual control by the Federal Reserve Board and the Comptroller of the Currency in regard to the acquisition of stock in national banks by bank holding companies. During the course of the extensive hearings on my bill, it developed that while the Comptroller of the Currency endorsed the provision for dual control, the Federal Reserve Board was firmly opposed to it. As a consequence of the ensuing controversy over this portion of my bill, the committee took no action on the proposal during that session.

The bill I am reporting today is a stronger bill for the protection of independent bankers than either the Eccles bill of 1947 or my bill of 1950. By placing the final control over the expansion of bank holding companies in the hands of the Federal Reserve Board, S. 2577 conforms to the position taken by Mr. McCabe in 1950 and which is now concurred in by the Comptroller of the Currency.

This bill provides a fair and equitable method for the regulation of the future expansion of bank holding companies and the divestment of their nonbanking assets. I am sure S. 2577 will be supported by a majority of both the bank holding companies and the independent bankers.

I have prepared the following sectional analysis of S. 2577 for the information of the Members of the Senate and all other interested persons:

SECTION ANALYSIS OF S. 2577

Section 1. Short title: Bank Holding Company Act of 1955.

Section 2. Definitions:

(a) Bank holding company means (1) any company owning 25 percent or more of voting shares of each of 2 or more banks or a bank holding company; or (2) any company controlling election of a majority of the directors of 2 or more banks; or (3) any company for whose shareholders trustees hold 25 percent or more of stock of 2 or more banks or of a bank holding company. Excludes (A) bank controlling shares in a fiduciary capacity (unless controlled for benefit of bank shareholders); (B) any company or affiliate registered under Investment Company Act of 1940, unless owns 25 percent of shares of 2 or more banks; (C) any company engaged in underwriting securities; (D) any company formed for the purpose of soliciting proxies.

(b) Company means any corporation, business trust, association, or similar organization. Excludes United States or State-controlled companies, partnerships, religious, charitable, and educational organizations.

(c) Bank means any national bank, State bank, savings bank, or trust company. Excludes any corporation organized for international or foreign banking and any organization not doing business in the United States.

State member bank means any State bank which is a member of Federal Reserve System.

District bank means any State bank organized or operating under District of Columbia Code.

(d) Subsidiary means (1) any company 25 percent or more of whose voting shares (excluding those held by United States) is controlled by bank holding company; (2) any company election of majority of whose directors is controlled by bank holding company; or (3) any company 25 percent or more of whose voting shares are held by trustees for benefit of bank holding company shareholders.

(e) Successor means any company acquiring bank shares from a bank holding company, if no substantial change in bank control or beneficial share ownership results. Empowers Federal Reserve Board to define "successor" further to prevent evasion of act.

(f) Board means Board of Governors of Federal Reserve System.

Section 3. Acquisition of bank shares or assets:

(a) It shall be unlawful except with prior Board approval (1) for a company to become a bank holding company; (2) for a bank holding company or subsidiary to acquire over 5 percent of voting shares of any bank; (3) for a bank holding company or subsidiary, other than a bank, to acquire substantially all assets of bank; or (4) for bank holding company to merge or consolidate with any other bank holding company. Prohibition does not apply to (A) bank holding company (bank) acquiring shares in fiduciary capacity (except for benefit of own shareholders) or in collecting debt (but must divest in 2 years), and (B) bank holding company (bank) acquiring additional shares in a bank of which it owns majority of voting shares.

(b) Thirty days before approving any acquisition, merger, or consolidation Board shall notify: (1) Comptroller of the Currency if bank to be acquired is a national or District bank; (ii) State supervisory authority if bank being acquired is a State bank. If such notified authority disapproves it in writing within 30 days, Board holds hearing to grant or deny application.

(c) Standards to be followed by the Board in granting or denial of approval include (1) bank holding company's and bank's financial history and condition; (2) prospects; (3) management; (4) convenience, needs, and welfare of area concerned; and (5) sound banking, public interest, and bank competition.

Section 4. Interests in nonbanking organizations:

(a) Bank holding company may not acquire or own voting shares of a nonbank company or engage in any nonbank business (except those related to banking as listed below in (c) of this sec. 4). Divestment of such business required within 2 years. Board may extend this time to not more than 5 years after date of act or of becoming a bank holding company, whichever is later.

(b) After 2 years following date of act, no bank holding company share certificate shall bear statement purporting to represent shares of nonbank or nonbank holding company, nor shall the ownership, sale or transfer of shares of a bank holding company be conditioned upon a like transaction in shares of any other company except a bank or a bank holding company.

(c) The following are expressly exempted from the divestment requirements:

(1) Shares of company which (i) holds or operates premises used or to be used by a subsidiary bank, (ii) conducts a safe-deposit business, or (iii) serves the holding company and its subsidiaries in auditing, appraising, investment counsel, or liquidating assets;

(2) shares acquired by bank holding company (bank) or its subsidiary bank, in satisfaction of debt contracted earlier. Shares must be disposed of within 2 years after acquisition or 2 years after act, whichever is later;

(3) shares acquired from a subsidiary as result of disposal requested by a Federal or State examining authority. Shares must be disposed of within 2 years after acquisition or 2 years after act, whichever is later;

(4) shares held as a fiduciary by a bank which is a bank holding company, or of kinds and amounts eligible for investment by national banks;

(5) shares owned by a bank holding company not in excess of 5 percent of outstanding voting securities of a company, and having a value not greater than 5 percent of total assets of the bank holding company;

(6) shares of financial, fiduciary, or insurance company which Board decides is closely related to banking; and

(7) labor, agricultural, and horticultural organizations.

Section 5. Administration:

(a) Each bank holding company is to register with Federal Reserve Board within 180 days after act or 180 days after becoming a bank holding company, whichever is later. Registration shall give information on company's financial conditions, operations, management, intercompany relations with its subsidiaries, and related matters. Board may extend time for registration.

(b) Board may issue regulations and orders.

(c) Board may require sworn reports from time to time to determine compliance. Board may examine bank holding company and subsidiaries at their expense. Board shall use examination reports of Comptroller of the Currency, FDIC, or State bank supervisory authority so far as possible.

(d) Board to report to Congress within 2 years after act, and annually thereafter, not-

ing administration, difficulties, and recommendations.

Section 6. Borrowing by bank holding company or its subsidiaries:

(a) Unlawful for a bank to—

(1) Invest its funds in shares or obligations of its parent bank holding company or subsidiary;

(2) take any shares or obligation of its parent bank holding company or subsidiary as collateral for advances to anyone, except for previous debts, in which case the collateral can't be held for more than 2 years;

(3) buy under a repurchase agreement shares or obligations from its parent bank holding company or subsidiary; or

(4) lend, discount, or extend credit to its parent holding company or subsidiary.

Noninterest-bearing deposits and giving immediate credit to a bank upon uncollected items received in usual course of business are not considered as loans or advances.

(b) Exempted from the provisions of this section are:

(1) Obligations of company listed in section 4 (c) (1) of act, bank premises, safe deposit, auditing, etc.);

(2) company which became a subsidiary due to a debt to the bank contracted before it became a subsidiary;

(3) company which is subsidiary because of bank control of company's voting shares in a fiduciary capacity (except where shares are held for benefit of majority of bank stockholders).

Section 7. Reservation of rights to States:

This act shall not prevent a State from using powers or jurisdiction regarding banks, bank holding companies, and subsidiaries so long as State action is more restrictive than this act.

Section 8. Penalties:

Up to $1,000 per day fine for company convicted of violating act. Up to $10,000 or 1 year imprisonment, or both, for individual convicted of willful participation in violation. Section 1005 of title 18, United States Criminal Code (up to $5,000 fine or 5 years' imprisonment, or both) applies to bank holding company personnel convicted of making false entries.

Section 9. Judicial review:

The bill provides an appeal from Board order for aggrieved party. Case to be heard by United States Court of Appeals. Board finding of facts is final, if based on substantial evidence.

Section 10. Amendments to Internal Revenue Code of 1954:

Adds a new part VIII (secs. 1101 to 1103) to chapter 1, subchapter O, of the Internal Revenue Code of 1954 dealing with favorable Federal income-tax treatment for property distributed to shareholders of bank holding companies because of the requirements of this bank holding company act:

"SEC. 1101. Distribution Pursuant to Bank Holding Company Act of 1955.

"(a) No tax assessed on gains acquired by a bank holding company shareholder certified as a result of divestment of nonbank holdings.

"(b) No tax assessed on gains acquired by a bank holding company shareholder as a result of disposal of property which would cause the company to be a bank holding company if held by it, on Board certification that disposal is therefore necessary and is appropriate under the act.

"The provisions of section 1101 (a) and (b) are mutually exclusive; the shareholders can't take the benefit of both of them.)

"(c) (1) (A) The shareholder of the bank holding company does not get the special tax benefit on property the company acquires after May 15, 1955, unless it acquired it in a distribution covered by section 1101 (a) or (b) above, or unless it acquired it in exchange for all its stock under the provisions of section 1101 (c) (2) or (3) above.

"(B) The shareholder of the bank holding company does not get the special tax benefit on property distributed to the company because of stock acquired by the company after May 15, 1955, unless the stock was acquired in a distribution under section 1101 (a) or (b), or unless the stock was acquired in exchange for all the company's stock under the provisions of section 1101 (c) (2) or (3).

"(c) (2) The denial of the special tax benefits to shareholders for property or stock acquired by a bank holding company after May 15, 1955, does not apply where the company (A) exchanges for all the stock of a corporation formed to receive it, property eligible for distribution under section 1101 (a), and (B) then distributes the stock of the formed spinoff corporation to the bank holding company shareholders, if before the exchange the Board certifies such action appropriate to carry out divestiture of nonbanking interests.

"(c) (3) This is a like provision to (2) above for distribution of property covered by section 1101 (b) (to stop a company from being a bank holding company). The Board certification in this case must state the property distributed would cause the company to be a bank holding company if held, that its disposal is therefore necessary, and the exchange and distribution are appropriate to carry out the policies of the Bank Holding Company Act.

"(d) The tax benefits of section 1101 (a) or (b) to a shareholder are not available for any property distribution attributable to a capital contribution to the distributing company made after May 15, 1955, unless the Secretary of the Treasury determines that one of the principal purposes of the capital contribution was not to avoid Federal income tax.

"(e) (1) Denies tax benefits of section 1101 (a) upon property distribution unless Board certifies that a bank holding corporation has distributed by deadline all nonbanking property.

"(2) Denies tax benefits of section 1101 (b) upon property distribution made to stop company from being a bank holding company, unless Board certifies a bank holding corporation has distributed by deadline all property which, if held, would make it a bank holding company. The deadline under this paragraph (2) is 2 years after the date of enactment of this amendment to the Internal Revenue Code or after the company becomes a bank holding company, whichever is later; but the Board may extend this to 5 years in either case.

"SEC. 1102. Special rules.

"(a) Basis of property acquired in distribution: If no gain is recognized on property distribution due to section 1101, the tax basis of such property for the shareholder receiving it (and of the stock responsible for the distribution) is an adjusted basis determined by allocating between the property and the stock the stock's adjusted basis. The allocation shall be made under regulations issued by the Secretary of the Treasury.

"(b) Period of limitations: Extends period for compelling payment of tax deficiency arising from a distribution under section 1101. Sets limit at 5 years after date distributing corporation notifies Secretary of the Treasury that distribution deadline has expired. (Limits under sections 6501 and 6502 of the Internal Revenue Code of 1954 vary from 3 years after filing of a tax return for assessment and 6 years after assessment for collection to no limit in the case of no returns, false returns with intent to evade taxes, or any willful attempt to evade taxes.)

"(c) Allocation of earnings and profits: If under section 1101 (c) (2) or (3), a bank holding company exchanges property for stock of a spin-off corporation formed to receive the property, any earnings or profits of the bank holding company shall be allocated between it and the receiving corporation, under regulations issued by the Secretary of the Treasury.

"(d) Itemization of property: Board shall itemize property in any certificate it gives, so that tax provisions may be carried out.

"SEC. 1103. Definitions.

"(a) Bank holding company: Same definition as in section 2 of the Bank Holding Company Act.

"(b) Qualified bank holding corporation:

"(1) In general: To qualify for the favored tax treatment provided in section 1101, a corporation (including an association) must (1) be a bank holding company and (2) hold 'prohibited property' (as defined in section 1103 (c)). Besides, such property must have been acquired by the corporation (A) by May 15, 1955; or (B) in a distribution in which gain was not recognized because of section 1101 (a); or (C) in an exchange covered by section 1101 (c) (2), under which the bank holding company's stock is surrendered in exchange for the property.

"(2) Limitations: Even though a corporation meets the requirements of paragraph (1) of this subsection, it must also meet the requirements of subparagraphs (A), (B), and (C) of this paragraph (2) in order to be a 'qualified bank holding company.'

"(A) To be qualified, a bank holding company must have either met the requirements of the Bank Holding Company Act assuming it was law on May 15, 1955, or must be a bank holding company solely by reference to property acquired before May 15, 1955, property acquired under section 1101 (a) or (b) with no recognition of gain, and property acquired by it in exchange for all its stock under section 1101 (c) (2) or (3).

"(B) To be qualified due to acquiring property as to which no gain is recognized because of section 1101 (a) or (b), the property must have been acquired in a distribution with respect to stock acquired by the bank holding company (i) by May 15, 1955, or (ii) in a distribution as to which no gain is recognized because of section 1101 (a) or (b), or (iii) in exchange for all its stock under section 1101 (c) (2) or (3).

"(C) To be qualified, a bank holding company must have a certificate from the Board that it meets the requirements of this subsection (b).

"(c) Prohibited property means property it would be appropriate to dispose of in order to divest a bank holding company of its nonbank-related interests, if the company continued to be a bank holding company beyond the deadlines set under section 4 (a) of this act or section 1101 (e) (2) (B) of the Internal Revenue Code of 1954 as added by this act, Does not include nonexempt property or shares or obligations of a company held by a bank holding company in accordance with section 4 (c) (5) of this act (general minority investments).

"(d) Nonexempt property (property that doesn't enjoy favored tax treatment under the tax provisions in this act) means:

"(1) obligations maturing in 24 months or less, excluding days of grace,

"(2) Government securities, or

"(3) money and right to receive it.

"(e) Board means Board of Governors of the Federal Reserve System."

Section 10 (b). Amends table of parts of chapter 1, subchapter O, of Internal Revenue Code of 1954 by adding "Part VIII. Distributions pursuant to Bank Holding Company Act of 1955."

Section 10 (c). These tax provisions in section 10 (a) apply to taxable years ending after the enactment of the act.

Section 11. Saving provision: This act not to be construed as approving any action in violation of existing law. This act to be no defense in any proceeding now pending or later begun because of any prohibited antitrust or monopolistic action.

Section 12. Separability of provisions: If any provision of this act is held invalid or its

application to any person or circumstance is held invalid, the rest of the act is not affected by any such holding.

PROPOSED ATOMIC ENERGY COMMUNITY ACT OF 1955—REPORT OF A COMMITTEE

Mr. ANDERSON. Mr. President, from the Joint Committee on Atomic Energy, I report an original bill to facilitate the establishment of local self-government at the communities of Oak Ridge, Tenn., and Richland, Wash., and to provide for the disposal of federally owned properties of such communities; and I submit a report (No. 1140) thereon.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar.

The bill (S. 2630) to facilitate the establishment of local self-government at the communities of Oak Ridge, Tenn., and Richland, Wash., and to provide for the disposal of federally owned properties of such communities, reported by Mr. ANDERSON, from the Joint Committee on Atomic Energy, was received, read twice by its title, and placed on the calendar.

BILLS INTRODUCED

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

By Mr. LANGER:

S. 2623. A bill for the relief of John A. Anderson; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey (for himself and Mr. CASE of New Jersey):

S. 2624. A bill to amend an act entitled "An act to provide for the sale of the Port Newark Army Base to the city of Newark, N. J., and for other purposes," approved June 20, 1936, as amended; to the Committee on Armed Services.

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

By Mr. MAGNUSON (by request):

S. 2625. A bill to amend title 14, United States Code, entitled "Coast Guard," to authorize expenditures for recreation and welfare of Coast Guard personnel and the schooling of their dependent children; to the Committee on Interstate and Foreign Commerce.

By Mr. DIRKSEN (by request):

S. 2626. A bill for the relief of Krikor-Vahe Srabian; to the Committee on the Judiciary.

By Mr. LEHMAN:

S. 2627. A bill for the relief of Hermengildo V. Santos and his son Felipe Cruz Santos; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina (for himself and Mr. CARLSON) (by request):

S. 2628. A bill to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CASE of South Dakota:

S. 2629. A bill to provide for entry and location, on discovery of a valuable source material, upon public lands of the United States classified as or known to be valuable for coal, and for other purposes; to the Committee on Interior and Insular Affairs.

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

By Mr. ANDERSON:

S. 2630. A bill to facilitate the establishment of local self-government at the communities of Oak Ridge, Tenn., and Richland, Wash., and to provide for the disposal of federally owned properties of such communities; an original bill reported and placed on the calendar.

(See the remarks of Mr. ANDERSON when he reported the above bill, from the Joint Committee on Atomic Energy, which appear under a separate heading.)

SALE OF THE PORT NEWARK ARMY BASE TO CITY OF NEWARK, N. J.

Mr. SMITH of New Jersey. Mr. President, on July 13, on behalf of myself, and my colleague, the junior Senator from New Jersey [Mr. CASE], I introduced the bill (S. 2519) amending an act providing for the sale of the Port Newark Army Base to the city of Newark, N. J.

The bill was referred to the Armed Services Committee and a report was requested and obtained from the Department of Defense. The Department recommended certain changes in the bill.

I, therefore, on behalf of myself and my colleague, the junior Senator from New Jersey [Mr. CASE], introduce, for appropriate reference, a new bill, to amend an act entitled "An act to provide for the sale of the Port Newark Army Base to the city of Newark, N. J., and for other purposes," approved June 20, 1936, as amended. I am informed that the Department of Defense has no objection to this revised bill.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2624) to amend an act entitled "An act to provide for the sale of the Port Newark Army Base to the city of Newark, N. J., and for other purposes," approved June 20, 1936, as amended, introduced by Mr. SMITH of New Jersey (for himself and Mr. CASE of New Jersey), was received, read twice by its title, and referred to the Committee on Armed Services.

ENTRY AND LOCATION ON DISCOVERY OF A VALUABLE SOURCE MATERIAL UPON CERTAIN PUBLIC LANDS

Mr. CASE of South Dakota. Mr. President, I introduce, for appropriate reference, a bill to provide for entry and location, on discovery of a valuable source material, upon public lands of the United States classified as or known to be valuable for coal, and for other purposes. I should like to state, in connection therewith, that this bill is a revision of S. 2278. It seeks to incorporate in a clean print certain amendments which have been proposed by the Western Oil and Gas Association and certain other amendments which, I understand, have been worked out by a committee in the House of Representatives with respect to similar legislation pending in that body.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2629) to provide for entry and location, on discovery of a valuable source material, upon public lands of the United States classified as or known to be valuable for coal, and for other purposes, introduced by Mr. CASE of South Dakota, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

AMENDMENT OF TITLE II OF SOCIAL SECURITY ACT—AMENDMENTS

Mr. COTTON. Mr. President, I submit, for appropriate reference, amendments intended to be proposed by me to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes. I ask unanimous consent that a statement, relating to the proposed amendments, be printed in the RECORD.

The VICE PRESIDENT. The amendments will be received, printed, and referred to the Committee on Finance; and, without objection, the statement will be printed in the RECORD.

The statement presented by Mr. COTTON is as follows:

I have today proposed an amendment to H. R. 7225, the Social Security Amendment of 1955 now before the committee. The amendment, which I originally introduced as S. 1198, is identical with the administration's public assistance bill recommended by the President and introduced in the House by Mr. REED of New York (H. R. 3293). I believe the bill is important to the welfare of the 5 million recipients of public assistance in the country and for this reason am asking the Committee on Finance to add its provisions to the social insurance bill.

The provisions which I consider the most important to the needy aged, blind, and disabled, and to dependent children, not only of my State but in the Nation, are those relating to medical care. Public assistance recipients are among the neediest people in the Nation and by reason of age and disability have medical needs well beyond those of the average citizen. Medical care is not adequately provided for these people. Some States do a reasonably good job while others do very little. I am proud that my State makes an effort to see that the aged and other recipients get some medical care. These services are costly, however, and it is a great strain on any State to provide them. I am convinced that it is of national concern that the basic medical needs of this important group of our fellow citizens be met.

Great progress has been made by medical science in dealing with the illnesses of the aged, much of this as a result of research work carried on or stimulated by the Federal Government. It is necessary that we in the Congress make sure that this valuable knowledge is used in behalf of the needy in whose welfare we have agreed to share responsibility with the States.

Under the proposed amendment the Federal Government would share with the States on a dollar-for-dollar basis in the cost of medical care provided for the recipients of public assistance up to a maximum determined by multiplying $6 a month by the number of adult recipients and $3 a month by the number of children. In New Hampshire, for instance, in a recent month there were about 8,000 adults receiving help, and about 3,000 children. Thus, in the case of New Hampshire, the Federal contribution for improved medical care could be as much as half of an expenditure of $48,000 for adults and $9,000 for children, or a total of $28,500 per month. I believe that a significant

amount of medical care can be secured by the States for the needy under these provisions.

The amendment also makes other significant changes. It modifies the formula for Federal sharing in old-age assistance to take account of the tremendous growth in the old-age and survivors insurance program. Under H. R. 7225, the old-age and survivors insurance program would be still further expanded; thus making even more necessary the adjustment in the rate of Federal participation provided for in the amendment.

The bill also recognizes that public assistance recipients have capacities which, with a little help, can be realized. Many people now receiving assistance can be aided to achieve self-support or self-care. Sometimes, with proper help, employment is possible. Even if this is not feasible for many, especially among the aged, social services can help other people achieve self-care. In some cases, arrangements can be worked out for the needy to live more satisfactorily in a family home than in a more costly institution. In other instances, the remaining capacities of an aged or disabled person, while not great, if sympathetically recognized and used in planning, can result in a more satisfying and comfortable life in which he shares in his own care.

All of this has as its objective a saving of public funds and a recognition of individual worth in the American spirit. These services, under these amendments, can be provided to applicants and recipients of assistance with the Federal Government sharing in the cost.

I believe passage of these amendments represents one of the important steps we must take if we are to have a stronger, healthier Nation.

The President has recommended enactment of this type of legislation in his state of the Union message, his budget message, and his special health message of January 31, 1955.

I hope the committee will include the amendments in its consideration of the social-security bill and that it, and the Senate, will take favorable action on them.

COMMEMORATION OF 175TH ANNIVERSARY OF ESTABLISHMENT OF CONSTITUTION OF MASSACHUSETTS

Mr. SALTONSTALL (for himself and Mr. KENNEDY) submitted the following concurrent resolution (S. Con. Res. 50), which was referred to the Committee on the Judiciary:

Whereas the 175th anniversary of the establishment of the Constitution of the Commonwealth of Massachusetts will occur on October 25, 1955; and

Whereas there are embodied in this constitution cultural, social, and legal principles which form a major part of the proud heritage of the Commonwealth of Massachusetts; and

Whereas the people of the other States of the Union share with the people of Massachusetts the blessings of a society founded upon these principles; and

Whereas the importance in these troubled times of keeping alive in the Nation and in the world the tradition of courage, the love of freedom, and the consideration of one's fellow man, which are embodied in the historic document upon which representative government was founded in Massachusetts: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress extends its felicitations to the Commonwealth of Massachusetts on the 175th anniversary of the establishment of its Constitution, and expresses the gratitude of the American people for the part played by the early statesmen of Massachusetts in building the foundations which have served the Commonwealth and the Republic so well.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ENTITLED "STOCK MARKET STUDY"

Mr. FULBRIGHT submitted the following concurrent resolution (S. Con. Res. 51), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Committee on Banking and Currency 1,000 additional copies of the hearings entitled "Stock Market Study," held before the above committee during the 84th Congress.

REMOVAL AND RELOCATION OF INDUSTRIAL PLANTS AND FACILITIES IN THE INTEREST OF NATIONAL DEFENSE

Mr. CURTIS submitted the following concurrent resolution (S. Con. Res. 52), which was referred to the Committee on Armed Services:

Resolved by the Senate (the House of Representatives concurring), That the Joint Committee on Atomic Energy, or any duly authorized subcommittee thereof, is authorized and directed to conduct a full and complete study and investigation of means of securing dispersion and relocation of industries and facilities essential to the defense and security of the United States to locations in the interior of the country, particularly to the Missouri River Basin region, in order to reduce the vulnerability of such industries and facilities in the event of an attack upon the United States involving the use of atomic weapons. Such study and investigation shall include, but not be limited to, consideration of (1) direct action by the Government of the United States, in cooperation with the governments of the States and their local political subdivisions, to provide industrial sites, plants, and facilities in locations least vulnerable to atomic attack and (2) action by the United States, through the granting of tax incentives and otherwise, to encourage the voluntary dispersion and relocation of such industries and facilities.

SEC. 2. The joint committee shall report the results of the study and investigation conducted pursuant to this resolution, together with its recommendations, to the Senate and the House of Representatives not later than January 31, 1956.

SEC. 3. In carrying out its duties under this resolution, the joint committee is authorized to employ, on a temporary basis, such experts and consultants and such technical and clerical assistants as it deems necessary and advisable.

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

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

By Mr. WILEY:

Address on problems of dairying broadcast by him July 24, 1955.

NOTICE OF HEARINGS ON CERTAIN NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. GEORGE. Mr. President, the Senate received today the nominations of the following-named persons to be representatives of the United States of America to the 10th session of the General Assembly of the United Nations, to serve no longer than December 31, 1955:

Henry Cabot Lodge, Jr., of Massachusetts.

Brooks Hays, of Arkansas.

Chester E. Merrow, of New Hampshire.

Dennis Joseph Roberts, of Rhode Island.

Colgate Whitehead Darden, Jr., of Virginia.

There were also received the nominations of the following-named persons to be alternate representatives of the United States of America to the 10th session of the General Assembly of the United Nations, to serve no longer than December 31, 1955:

Robert Lee Brokenburr, of Indiana.

Laird Bell, of Illinois.

Jacob Blaustein, of Maryland.

James J. Wadsworth, of New York.

Mrs. Oswald B. Lord, of New York.

I give notice that these nominations will be considered by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

NOTICE OF HEARING ON NOMINATION OF MARY H. DONLON, TO BE JUDGE, UNITED STATES CUSTOMS COURT

Mr. O'MAHONEY. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, July 28, 1955, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Mary H. Donlon, of New York, to be judge, United States Customs Court, vice Genevieve R. Cline, retired.

At the indicated time and place all persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from Texas [Mr. DANIEL], and the Senator from North Dakota [Mr. LANGER].

NOTICE OF HEARING ON CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. O'MAHONEY. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Friday, July 29, 1955, at 10:30 a. m., in room 424, Senate Office Building, upon the following nominations:

Warren E. Burger, of Minnesota, to be United States circuit judge, District of Columbia circuit, vice Harold M. Stephens, deceased.

Thurmond Clarke, of California, to be United States district judge, southern district of California, to fill a new position.

At the indicated time and place all persons interested in the above nominations may make such representations as

may be pertinent. The subcommittee consists of myself, chairman, the Senator from Texas [Mr. DANIEL], and the Senator from North Dakota [Mr. LANGER].

TRIBUTE TO METROPOLITAN POLICE DEPARTMENT OF WASHINGTON, D. C.

Mr. SALTONSTALL. Mr. President, a number of Massachusetts citizens, now residing in Washington, have telephoned me recently in connection with an achievement which has impressed them and has also impressed me greatly. I refer to the outstanding work of the Metropolitan Police Department in handling the extraordinarily heavy traffic load resulting from the labor-management dispute of the Capital Transit Co. The accomplishment has once again demonstrated the effective and efficient police service which the Department, under the able leadership of Chief Robert V. Murray, furnishes to the Nation's Capital.

The entire Department has done its job with capability, and, I might add, with a cheerfulness that could hardly be expected under the strain of the excessive heat of a Washington summer. The men, I am sure, have made personal sacrifices to keep traffic moving. They have given up leave and worked extra hours with a sense of duty and responsibility that has reflected great credit on themselves and the Department.

I should like to add my congratulations to the many which Chief Murray and his men have received from so many others for handling the traffic so well.

Mr. THYE. Mr. President, I should like to associate myself with the remarks of the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL] in paying tribute to the Washington police. I drove this morning through the central part of the District of Columbia, including Connecticut Avenue and Pennsylvania Avenue, and I could not help sensing not only the cheerfulness of the policemen at every intersection, but the efficient manner in which they handled the traffic and kept it moving. As I have been driving through the city all during the transportation strike, I could not avoid a feeling of satisfaction and pride in the splendid work which the police of the District of Columbia have done.

THE PRESIDENT AND THE GENEVA CONFERENCE

Mr. THYE. Mr. President, I have followed very carefully the conference which took place at Geneva or "at the summit." On July 22, I addressed to President Eisenhower a letter which I now wish to read into the RECORD, as follows:

JULY 22, 1955.

The Honorable DWIGHT D. EISENHOWER,
The President,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: As a Member of the United States Senate I want to commend you for the very moving and effective presentation you made at the Geneva Conference concerning the position of the United States in world affairs.

I followed the proceedings very closely. Through the work of our entire delegation the world can see that the United States wishes to establish world peace and freedom for all peoples.

Your proposal for exchange of information with the Soviet Union through blueprints and aerial photography demonstrated to what extent we are willing to go to attain that goal.

My heartiest congratulations to you and the American delegation. I know America is grateful for such leadership.

With kindest personal regards,

Sincerely yours,

EDWARD J. THYE,
United States Senator.

Mr. President, I ask unanimous consent to have printed at this point in the body of the RECORD an editorial published yesterday in the Washington Post and Times Herald.

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

LIFTING THE BARRIERS

President Eisenhower seems born for the role he has been playing at Geneva, and he has been playing it supremely well. No other American could command the confidence of the Russians with the same display of initiative, intuition, and open motives. Professional diplomats may distrust such performances, but there is every indication that the President has gaged the mood of his Soviet counterparts correctly and that the technique is working.

Again yesterday Mr. Eisenhower's own heartfelt convictions elevated the sights of the Big Four conference. Even though the charting of practical ways to ease restrictions on information, travel, and trade will require more time than is available here, Mr. Eisenhower's sincerity cannot help rubbing off on the Russians. In discussing the contribution such moves could make toward transforming "this century of recurring conflict into a century of enduring and invigorating peace," the Chief Executive candidly acknowledged that the United States, for its own security, has been forced to place some restrictions on communication and movement of persons. Such an admission, obvious as it is, is likely to be well received as evidence of good faith.

Even Mr. Eisenhower's startling proposal to give blueprints of military establishments and permit free aerial photography has been accepted by the Russians privately in good spirit—and the Russians do not like to be startled. Far from regarding it as propaganda, as a number of observers here did, the Russians seem to have taken it as an illustration of one possible step toward making a nuclear alarm system based on adequate inspection and reporting more effective. Prime Minister Eden's more limited proposal for inspection of forces facing each other in Europe may represent a more readily attainable objective, but it is well to have the President's concept as a spur.

Despite the procedural disagreement last night, it appears that progress has been made on the difficult issue of German reunification and European security. It is an old Russian habit to emphasize final concessions by holding out until the last minute. Nevertheless part of the "bridge" that Mr. Eisenhower has been talking about may be the pact proposed by Premier Bulganin between the NATO and Warsaw Pact powers individually not to use force pending establishment of a European security system. This could complement Sir Anthony Eden's proposal to extend arms controls on the principle now embodied in the Western European union. For its part, the United States reportedly is examining an alternative to German membership in NATO which might be provided eventually, in consultation with Chancellor Adenauer, concurrently with unification and a workable broader security system. Obviously this country cannot do anything that would have the effect of weakening NATO in the present context, because this would have a chain reaction in countries that have been beseeched to increase their support. But many possibilities are open to discussion, given concessions on both sides and a basic wish to agree.

This wish to agree, or at least to forgo any actions that might indicate failure of the conference, seems to be the keynote of the Russian performance. Among the Soviet delegation Mr. Khrushchev is reliably reported to be acting as the boss, but Premier Bulganin is much more than a front man and plays an active part in the consultations. Marshal Zhukov obviously was included as a link with President Eisenhower. Foreign Minister Molotov alone appears silent and disgruntled, possibly because the negative approach, of which he was for so many years the exemplar, is being reversed in so many ways.

Agreement among the heads of government here today will not in any way mean that all the problems between East and West are on the way to easy solution. Undoubtedly many arduous labors are ahead even with the best of feeling, and one of the real problems in the United States will be to avoid letting down the guard in a premature relaxation. On the eve of adjournment, however, the conference appears to justify both President Eisenhower's foresight and his confidence that it will point definite steps toward an era of better feeling in which big problems may be capable of solution.

RENEWED EMPHASIS ON MORAL AND ETHICAL VALUES—THE BOOK THE SPIRITUAL WOMAN

Mrs. SMITH of Maine. Mr. President, one of the very encouraging trends in American life today is the renewed emphasis by people in all walks of life on moral and ethical values. President Eisenhower has set a national example through his own deeply spiritual concept of life. We in the Congress have recently enacted much legislation reaffirming the spiritual foundations of our Nation.

This attitude, which has pervaded every area of living, is reflected in many new publications which deal with religious and moral subjects. The most recent of these is a book entitled, "The Spiritual Woman," edited by Marion Turner Sheehan. Here 14 distinguished women have written of the human qualities which have made their own lives creative and fruitful.

One of these authors is my colleague in the House, the Honorable FRANCES P. BOLTON. In a chapter, "Woman in Politics," this respected woman legislator explains the philosophy that has guided her for more than 15 years in the House of Representatives. She writes, in one moving passage:

Just as the individual must examine his own soul before he assumes duties which involve others, so must we who are women go deep into our hearts and minds to ascertain what it is that we have which is so vital to the full purposes of the Infinite. Once we are convinced and aware that only as

we take upon ourselves these broad aspects of our womanhood can we hope to see the dawn of peace, the day of light, only then shall we give richer meaning to citizenship in this free land of ours.

I could not think of a more fitting credo for any woman planning to enter the field of politics. It does honor to every American woman in public life.

Throughout the book, the other authors write with equal vigor and conviction. Eloise Spaeth writes on the arts, Esther Eberstadt Brooke on business and management, Alice V. Keliher on communications, Ilona Massey of communism, Millicent C. McIntosh on education, Lillian Gish on entertainment, Patricia Crowley on family life, former Representative Mary T. Norton on industry, Elizabeth S. Ridder on leisure, Helen C. White on literature, Sister Elizabeth Kenny and Valerie Harvey on nursing, and Jane M. Hoey on social work. In the final chapter, the editor summarizes their philosophies.

The authors and the editor have arranged to donate all royalties to charity. I commend this book to the attention of the Members of the Senate.

ST. LAWRENCE SEAWAY MANUAL, SENATE DOCUMENT NO. 165

Mr. WILEY. Mr. President, I am pleased to announce that there is now available in the Senate and House Document rooms, Senate Document No. 165, the manual on the Great Lakes-St. Lawrence Seaway.

This document has been many months in preparation under my direction. It contains a complete chronology of the history of the seaway, a description of all of its economic, engineering, power, maintenance, legal, and other ramifications.

The seaway authorized under the Wiley law, Public Law 358 of the 83d Congress, has, of course, occasioned tremendous interest throughout the Great Lakes area. Floods of inquiries have poured in from all over our country. I believe the manual will help answer these inquiries.

Copies of the manual, over and above the limited supplies available through congressional offices, the document rooms and the Senate Committee on Foreign Relations, may be purchased from the Superintendent of Documents, of the Government Printing Office, at $1.50 a copy.

Incidentally, I hope that before this session ends, we will have taken the necessary action to complete this great project by the enacting of connecting-channels legislation already unanimously approved by the House Committee on Public Works. Time is very short, but there has not been the slightest word of dissent on the connecting-channels bill to date.

I ask unanimous consent that the text of an article on the impact of the seaway on Great Lakes ports, as printed in Nation's Business issue of April 1955, be printed in the body of the RECORD at this point.

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

SEAWAY SPARKS BILLION DOLLAR TRADE RACE

(By Joseph M. Gambatese)

The $1 billion St. Lawrence Seaway development, just begun, has sparked a race for port improvements and expansion among a score of cities ringing the 5 Great Lakes all the way from Oswego, N. Y., the country's first fresh-water port, to Chicago and Duluth, Minn.

Another $1 billion in both private and public funds is likely to be spent in and around the lakes and connecting rivers before a ship from the Atlantic Ocean steams up the new St. Lawrence Seaway and into the lakes with the first 10,000-ton cargo for some lake port. This will happen 4 years from now if present schedules are met.

The prize: more than 40 million tons of increased cargo which will pass through the seaway's canals and 7 locks along the St. Lawrence River after the Midwest's gate to the Atlantic is enlarged.

With shipments over the St. Lawrence waterway now limited by the 14-foot controlling depth of the present Canadian locks and canals in the 114-mile stretch between Montreal and Ogdensburg, N. Y., only 10 million tons of cargo can get through to the lakes. The vessels must be restricted to loads of less than 2,500 tons, even though they may have larger capacity.

When the seaway development is completed, two things will be achieved:

1. Cargo ships of 20,000 tons will be able to maneuver the St. Lawrence, thereby increasing the potential annual tonnage moving between Montreal and Lake Erie to more than 50 million tons.

2. Northern New York State and part of eastern Ontario will share 1,880,000 kilowatts of electricity from a hydroelectric power project at Massena, N. Y., a potential capacity now exceeded only by the 1,974,000 kilowatts of Grand Coulee Dam on the Columbia River.

The United States has authorized $105 million and Canada is spending $261 million for the joint navigation project, which will increase the controlling depth to 27 feet from the Atlantic to Toledo on the western end of Lake Erie. The New York Power Authority and the Ontario Hydro-Electric Power Commission are building the $600 million power project, consisting mainly of a powerhouse and 145-foot spillway dam at Massena and a control dam at Iroquois, Ontario. They will share both the cost and the electric power which will start flowing in 1958.

Beyond Toledo, however, waterborne commerce to Detroit and into Lakes Huron, Michigan, and Superior is limited by a controlling depth in the connecting channels of 25 feet downbound and 21 feet upbound.

The plan to deepen these channels to 27 feet was left out of the present authorization which passed Congress last May, although it was included in earlier seaway development bills which failed to pass.

Members from Midwest States are pushing for approval of the connecting channels phase in this Congress. This will cost $110,327,000; or $115,818,000 if a cutoff channel is dug to eliminate a bend in the St. Clair River above Detroit, as recommended by the Army's Board of Engineers for Rivers and Harbors.

The connecting-channels plan involves deepening of three links between Lake Erie, Huron, Michigan, and Superior at Detroit, the Mackinac Straits and the approaches to the Soo locks. The Welland Canal joining Lake Erie and Lake Ontario is in Canada and will need slight deepening, which Canada is doing as part of the approved navigation project.

Opponents of the seaway warn, however, that even the 27-foot depth will be inadequate to make real ocean ports out of lake cities, and that Congress will soon have to provide for further deepening to 30 feet or more at a cost of many more millions.

Such skepticism has not deterred the cities from pushing ahead with big plans to get the jump on their rivals and be ready with the best and the most facilities when the larger ships come steaming in.

As one lake city was advised: "Traffic flows where transportation facilities are provided. Waiting until the traffic exists may not be wise."

These cities want to make sure they get their share—or more—of the increase in waterborne tonnage and the anticipated economic benefits from the seaway. These benefits are expected to include attraction of industries which will find the seaway advantageous either for receiving bulk raw materials or for shipping products overseas, and increased business activity related to foreign trade.

Improved harbor and port facilities will benefit some ports even without much seaway traffic, through the handling of more of the present lake shipping and by attracting chemical and other industries which rely heavily on fresh water and shipping within the lake areas. This, of course, has been—and for many years will likely continue to be—the major basis for improvement of Great Lakes harbors, ports, and rivers, which the Federal Government has been doing for more than 125 years.

A Nation's Business survey of port activity stimulated for the most part by the coming of heavier seaway traffic into the largest manufacturing center in the world—now being called a new frontier in the heartland of America—discloses that:

Work in the two major Canadian ports—Toronto and Hamilton, Ontario—has progressed further than in most United States ports.

At least eight United States cities have made, or are making, studies costing more than $300,000 to find out what economic impact the new seaway tonnage will have on their ports and what, if anything, they should be doing about it. From east to west, these cities are: Oswego and Buffalo, N. Y.; Erie, Pa.; Cleveland, Lorain, and Toledo, Ohio; Detroit, and Duluth.

Legislation is being pressed in State capitals to permit port authorities for Toledo, Erie, Buffalo, and Oswego Harbors to facilitate their development, growth, and operation.

Some $8 million already has been spent in Green Bay and Milwaukee, Wis.; Muskegon, Mich.; Hamilton, and Toronto, for warehouses, docks, buildings, and other facilities.

Another $9 million worth of similar port improvements has been started in Green Bay, Milwaukee, Hamilton, Ontario, and Ashtabula, Ohio.

More than $200 million in port development, exclusive of harbor dredging by the Federal Government, is being planned in Milwaukee, Chicago, Muskegon, Windsor, Ontario; Toledo, Cleveland, and Oswego.

President Eisenhower has asked Congress for more than $11 million during the next fiscal year for dredging, widening, and otherwise improving harbors and channels at Duluth, Sault Ste. Marie, Chicago, Indiana Harbor, Ind.; Cleveland, and Buffalo.

The Army's Corps of Engineers, which handles river and harbor improvements, is doing preliminary work on plans for a $4,900,000 extension of the Ashtabula harbor area and for shoal removal and construction of a detached breakwater at Osego costing $2,500,000. Congress has also directed the engineers to determine the economic justification for further improving the harbors of Duluth, Milwaukee, Toledo, Lorain, Cleveland, and Conneaut, Ohio. Studies have

been proposed for Buffalo and other ports as well.

Major lake harbors will require dredging to 27 feet and new facilities to accommodate larger vessels. Only at Duluth, Chicago, Ashtabula, and Buffalo has Congress "authorized" depths of more than 25 feet, and only Duluth's harbor actually is more than that depth. Its lake approaches are 32 feet. Depths of 28 feet have been authorized at Chicago and Ashtabula and 27 feet at Buffalo.

Before getting into the details of what each port city is doing, let's look at the total seaway development and its impact as a whole.

Basically, developing the St. Lawrence Seaway consists of enlarging a series of bottlenecks which now limit the size of vessels which can navigate between Lakes Superior and Michigan on the west and the Atlantic Ocean on the east—a total distance of 2,350 miles from Duluth to the ocean. This navigation phase involves the widening and dredging of narrow passages and bypassing dams, unnavigable falls and rapids with locks and canals so that the ships may rise and drop the 600-foot elevation between Lake Superior and the ocean.

At the same time, the descending water level permits the development of hydroelectric power. At Niagara Falls at present the United States power station has a capacity of 445,000 kilowatts and that on the Canadian side has 848,000 kilowatts. With the seaway, it is planned to increase the kilowatt capacities to 1,945,000 and 2,276,000, respectively.

The New York-Ontario power project in the International Rapids section of the seaway at Massena will produce 1,880,000 kilowatts. Water backed up by the 145-foot long Sault Spillway Dam to be built at this point will create a pleasure lake almost 30 miles long and 4 miles wide, inundating considerable land, mostly on the Canadian side, and forcing the relocation of railroads, highways, and even whole towns.

Below Massena, where the St. Lawrence runs completely within Canadian borders, that country has developed 1,408,000 horsepower (1,083,000 kilowatts) at the Beauharnois powerplant in the Soulanges area and hopes to raise it to 2 million horsepower. It also plans to develop 1,200,000 horsepower farther down at the Lachine Locks, near Montreal. (Canadians measure electric-power capacity in terms of horsepower. It takes 1.34 horsepower to produce a kilowatt.)

Thus, there are 3 major phases of the seaway development: (1) The St. Lawrence navigation project, with Canada and the United States participating jointly; (2) the power project shared jointly by Ontario and New York, and (3) the deepening of the connecting channels, which it is expected the United States will do alone.

The United States section of the navigation project is being built by a Government agency created specifically and solely for that purpose: St. Lawrence Seaway Development Corporation. It is headed by Administrator Lewis G. Castle, who, when appointed last summer, was president of the Northern Minnesota National Bank in Duluth and of the Great Lakes-St. Lawrence Association, which led the postwar fight for the seaway.

The Seaway Corporation has designated the Corps of Engineers as its agent to supervise construction of the United States section, mainly two locks and a canal to bypass the power project at Massena. Congress fixed a spending limit of $105 million, which the Treasury will advance as needed against 50-year revenue bonds to be issued by the Corporation. Tolls fixed by the International Toll Commission will be charged on the seaway to liquidate the bonds. Congress, in passing its first seaway bill last May, also included construction of a lock at Point Rockway, across from Iroquois, to bypass on the United States side the Iroquois control dam being built as part of the power project. But Canada insisted on building its own lock on its side of the dam, and in fact began construction. As a result, it was agreed a month ago that the United States will not build its lock at the control dam upriver and Canada will not build its locks on the Canadian side of the powerhouse and spillway dam, both governments reserving the right to build the locks in the future, but not without consulting the other beforehand.

The net result, then, is that the control dam upriver will be bypassed through a Canadian lock at Iroquois and the power project near Massena will be bypassed through two United States locks—leaving each country dependent on the other for through passage.

The United States will also dredge to 27 feet the Thousand Islands section of the St. Lawrence—68 miles from Ogdensburg, N. Y., upriver to Lake Ontario, at a cost of $2 million.

Canada, in addition to the Iroquois lock, is building 4 more locks and digging canals along the 68 miles within the Canadian border from the power project to Montreal, and will deepen the Welland Canal to 27 feet, the latter costing only $2 million because the 8 locks within the canal already meet the 27-foot measure.

Lake ports already handle 500,000 tons of overseas shipping a season, much of it United States and Canadian grain, but it is carried in small vessels lightly loaded.

This tonnage, however, is an almost negligible one-fifth of 1 percent of the more than 250 million tons of total shipping on the lakes, about one-third of it iron ore moving down from Lake Superior.

With the new seaway, overseas shipping is expected eventually to exceed 5 million tons.

During the first year Administrator Castle estimates that the seaway will carry 12,100,000 tons of grain, 10,500,000 tons of iron ore, 6,400,000 tons of general cargo, 3,700,000 tons of coal, 2,300,000 tons of petroleum, 800,000 tons of nonferrous ores, and 700,000 tons of woodpulp. Grain and iron ore shipments are expected to dominate seaway freight.

New and larger ore freighters now on the lakes were built to fit seaway specifications.

The more than 50 million eventual tonnage will exceed by about 25 percent the tonnage through the Panama Canal.

Hardly any luxury ocean liner traffic is expected.

Specific lake harbor improvements planned by the Corps of Engineers during the coming fiscal year and the necessary funds requested of Congress include:

Cleveland: $5,300,000 to widen bends and alter obstructing bridges in 23-foot Cuyahoga River, on which most industrial piers are located. This is part of $20 million river program on which $11 million already has been spent.

Chicago: $4 million—the beginning of an $80 million project—to start widening to 225 feet the Calumet-Sag Channel, important link between the Mississippi River and Lake Michigan on the southern edge of Chicago.

Buffalo: $1,200,000 to complete deepening of the Buffalo River, part of the Buffalo Harbor, to 23 feet. This job was started this fiscal year with $1,100,000.

Soo: $338,000 to begin alterations at the Soo Locks. This includes removal of an island in the St. Mary's River to facilitate approach to the locks and alteration of a railroad bridge. It will take $3 million more to complete.

Duluth: $215,000 to complete a 25-foot channel in a part of the Duluth Harbor. Project was begun this fiscal year with $300,000.

Indiana Harbor: $45,000 to widen a portion of the harbor canal, which leads into the Calumet-Sag Channel.

Here, in addition to the engineers' program, is what United States lake cities are doing to improve their ports:

DULUTH

Gov. O. L. Freeman has asked the Minnesota Legislature to study the seaway's impact on the State's economy and look toward development of the Duluth Harbor. The 3-man port authority has been reactivated and legislation is being considered to create a more effective 7-man authority. The port authority has a $100,0000 budget for each of the next 2 years—$53,500 to come from the State legislature, $38,000 from the Iron Range Resources and Rehabilitation Commission, and $8,500 from a local levy. Some $76,000 is being spent for a survey of the harbor's economic potential, with 4 studies by the University of Minnesota's business research division already under way.

MILWAUKEE

A $200,000 addition to Municipal Transit Shed No. 1 is opening this spring. A $2 million viaduct is being built to carry harbor truck traffic over 2 railroad lines. The following $4,700,000 in projects have been projected for completion before the 1959 seaway opening:

New pier and general cargo terminal	$4,000,000
Replacing obsolete cranes and equipment	350,000
Dredging outer harbor slips to 27 feet	200,000
Highways to serve outer piers	80,000
Expanding harbor railroad system	70,000

Harbor deepening is being sought from Congress, with a study being made by the Corps of Engineers.

There were 188 sailings with 43,000 tons of overseas cargo from this port last year, according to Harry C. Brockel, Milwaukee port director, who is also a director of the Great Lakes-St. Lawrence Association.

GREEN BAY

A new city harbor and industrial commission is directing technical development of the port. A nonprofit industrial development corporation, set up within the Green Bay Association of Commerce, is selling 100 shares of $100 to raise money for port promotion. Leicht Transfer & Storage Co. has built two $250,000 warehouses and is planning another. Efforts are being made to get funds for improving the harbor with a turnaround basin in the river mouth, a project approved by the Corps of Engineers some time ago. Sixty foreign ships used the port last year.

CHICAGO

As part of a 10-year $125 million program, the regional port board is issuing $25 million in bonds to start construction of facilities around Lake Calumet. Present plans include four major transit sheds, two 6,500,000-bushel grain elevators, 1,000 feet of universal bulk dock and other docks, heavy lift cranes, and other facilities. A large liquid tank farm, positioned to handle rail, barge, truck, lake, and ocean traffic, will also be built.

Because of vast and modern facilities and its unique link between the lakes and the Mississippi River, Chicago expects to handle 50 percent of the general cargo moving through the seaway and also to become, in the opinion of Maxim M. Cohen, general manager-secretary of the Chicago Regional Port District, "the most strategic grain-shipping port on the American Continent."

Chicago's port handled 178,000 tons of overseas shipping in 1953 and expects this to increase four times, according to A. H.

Schwietert, traffic director of the Chicago Association of Commerce and Industry.

MUSKEGON

This port is planning 2 more docks to match the existing $2 million dock and related facilities. With one of the lakes' best natural harbors, it stresses ship repair work but, like many other small lake ports, it is thinking in terms of handling more of the present fleet of 2,000-ton vessels serving Great Lakes and foreign ports.

Larger lake ports will find it uneconomical to handle some of these smaller ships.

John C. Beukema, president of the Great Lakes Harbors Association, says the association has counseled smaller lake ports to be cautious and make detailed studies before making appropriations and letting contracts for improvements which may prove unwise.

DETROIT

A $50,000 economic survey of the port has forecast an increase in overseas trade from 150,000 tons to 300,000 tons within a year of the seaway's opening. If suitable facilities and services are developed, overseas trade will increase to between 750,000 and 1 million tons 5 years later. There were 320 foreign sailings in 1953, many of them carrying automobiles and trucks to foreign ports.

The harbor needs little development except deepening of the Detroit River. Gov. G. Mennen Williams asked the State legislature to approve a $500 million bond issue for highways, to build in 3 to 5 years what would normally take 15 to 20 years. The road program includes a north-south highway from Saginaw Bay, down through Detroit and almost to Toledo, which will aid the port development.

TOLEDO

An $8,000 study recommended construction of a $20 million general cargo terminal on the Maumee River and a $5,900,000 recreational area on the bay.

A hot scrap is raging over whether the port should be run by the city or the Toledo-Lucas County Port Commission with new powers of a port authority. Toledo is sponsoring a port authority bill which the Ohio Legislature is expected to pass. The bill would let a county set up a port authority with power to issue bonds, levy taxes, build navigational facilities, rent the facilities and amortize the bonds from revenues.

Toledo, a leading coal port with annual shipments of 20 million tons, also handles considerable overseas shipping of petroleum and grain. Ships of foreign registry in the Toledo port increased from 1 in 1946 to 80 last year.

CLEVELAND

A $40,000 port development study is being made by New York consultants.

Cleveland is seeking Federal participation in a proposed $15 million breakwall 6½ miles long running west from downtown. Inside of this a $30 million highway would be built facilitating vehicular traffic to and from the harbor.

A $500,000 service road connecting with a freeway on the east side is being started this spring. Director of Port Control William J. Rogers says the city is considering a $5 million bond issue to build a cofferdam from 500 to 700 feet out in the lake to permit filling and extension of the waterfront land.

Cleveland leases its two piers to a stevedoring firm. The waterfront will be zoned and made available for development by private industry, which is expected to spend $20 million for port facilities. Curtis Lee Smith, president of the Cleveland Chamber of Commers, feels private industry "is fully capable of taking care of whatever new business develops from the new seaway."

The Cleveland Electric Illuminating Co. has intensified its promotion of northeastern Ohio as the best location in the Nation for new industry.

An international trade exposition in 1959 is being considered by Mayor Anthony J. Celebrezze. Mayor Celebrezze and private industry are cold to a port authority, because the harbor is within city limits and was developed by the city.

Cleveland is also the focal point of a fight over the proposed construction of a 103-mile $300 million belt conveyor between Cleveland and East Liverpool on the Ohio River. The enclosed conveyor would carry 20 million tons of iron ore down from Cleveland to East Liverpool, whence barges would take it to Pittsburgh steel mills. In the other direction, the conveyor would move 45 million tons of coal, particularly metallurgical coal, from West Virginia needed by steel mills in Youngstown and Cleveland.

LORAIN

A $10 million harbor improvement is sought to meet present needs. The Corps of Engineers is restudying the economic justification for improving the harbor, which handles 8 million tons of iron ore and 2,600,000 tons of coal. Dr. N. R. Danielian, president of the Great Lakes-St. Lawrence Association, has been retained as a harbor and seaway expert for 2 years to help get Federal aid for present harbor improvement needs and to survey the port's expansion possibilities. Dr. Danielian does not visualize Lorain as a major seaport, pointing out that ports need an economic hinterland to feed on. Lorain is between Toledo and Cleveland.

ASHTABULA

Private industry is spending $3,710,000 for construction of slips, docks, and handling facilities, including 2 bulk-cargo docks 2,000 feet long and 500 feet wide.

Ports of Ashtabula and nearby Conneaut will be aided by a Conneaut-Cincinnati 350-mile toll highway, costing $500 million, which the State is planning to build. It will have a spur connecting the State capital, Columbus, with Toledo.

This northeast-southwest diagonal expressway will connect with, and cross, the 241-mile, $325 million east-west toll road extending from the Pennsylvania Turnpike, near Pittsburgh, across Ohio to the Indiana border, near Toledo. This will be completed in October and will be useful to other Ohio ports as well.

ERIE

Additional dock and warehouse facilities will be built after completion of a survey costing $15,000. Members of the Erie Engineering Societies Council donated $30,000 in services in making a preliminary study of the port's potential. The State legislature has been asked to authorize an Erie Port Authority.

BUFFALO

A $50,000 port study is being made. Findings and recommendations will not be completed until next month, but it is reported the port will need:

A 600-foot, $2,950,000 pier; an $800,000 package cargo warehouse; $500,000 for handling facilities; $350,000 for administration and engineering; $500,000 for financing and interest the first 2 years; $400,000 for contingencies; and $35,000 for dike repair.

The port board has approved a $5,535,000 port improvement program as the first phase of a master development plan and is seeking authority from the State legislature to create a Niagara Frontier Port Authority of wider scope.

Improvement of the harbor by the Corps of Engineers is only 36 percent complete, with $11 million more needed to finish the job.

Buffalo's major gain from the seaway is expected to be ore shipments from the rich open-pit deposits of 600 million proven tons—with a potential of 1,500,000,000 tons—whose postwar discovery in the barren Quebec-Labrador region helped get the seaway through Congress. Buffalo will have an advantage because it is nearer the deposits than other lake ore ports.

Six Midwest steel and ore companies under the leadership of Secretary of the Treasury George M. Humphrey, then head of M. A. Hanna Co., participated in the discovery and development of the deposits. Almost $300 million is being spent on the Quebec-Labrador project.

A railroad was built to carry the ore 360 miles to freighters at Seven Islands on St. Lawrence Bay.

This Quebec-Labrador ore will supplement the dwindling deposits of the Mesabi Range on Lake Superior which have fed more than 3 billion tons to hungry iron and steel mills since the Soo Locks were opened 100 years ago this spring. The centennial anniversary will be celebrated at the Soo on June 18.

First ore shipment from the new Canadian deposits left Seven Islands July 31, and more than 1,700,000 tons was moved before the shipping season—only 244 days—closed because of freezing. Most of the ore went to east coast and European ports on large ore freighters, but 170,000 tons moved up the St. Lawrence on 2,000-ton "canalers" to mills near the lakes. Almost 70,000 tons went to Buffalo.

ROCHESTER

A survey of more than 700 companies in western New York has been made by the Rochester Chamber of Commerce to determine what use they might make of seaway shipping. The potential tonnage indicated will serve as a guide in planning port development. Preliminary examination of the questionnaires returned indicates "quite a bit of interest," according to Fidelis J. Taylert, chairman of the chamber of commerce subcommittee making the survey.

OSWEGO

Oswego is the lake port closest to the seaway and at the terminus of the northern branch of the New York State Barge Canal, whose 9-foot depth extends from Buffalo to Albany on the Hudson River—the shortest water link between the lakes and the Atlantic.

Here is its program:

1. A $20,000 study indicates it will take $10 million to improve and expand the harbor to attract seaway shipping. This covers only harbor deepening to 28 feet and construction of a $2,500,000 detached breakwall approved by Congress, but funds for this have not been appropriated.

2. A budget of $20,000 for the employment of Arthur W. Mengel, of Cleveland, as port director and for port promotion activity. Port authority legislation is being sought.

3. Advertising Oswego as the "port of central New York" to attract foreign trade shipments.

4. Stepping up Operation Oswego, which last year induced three companies to locate in the area.

5. Obtaining the Federal funds necessary to improve the harbor, which handles more than 2 million tons a season. Lionel A. Mohnkern, executive manager of the Oswego Chamber of Commerce, says more than $11 million in improvements has been planned and approved by the Corps of Engineers.

ELSEWHERE IN THE UNITED STATES

There is also considerable activity in many other cities on the lakes and along the seaway route.

In Michigan, the Monroe Port Commission is improving its port, hoping to attract waterfront industries and become a rail-truck-water terminal for lower Michigan and upper Indiana. Grand Haven plans to improve its channel; the city plan commission is working on waterfront industrial subdivision

projects. Benton Harbor plans to move a ship canal and build a slip and a 500-foot dock and wharf.

Along the St. Lawrence, Ogdensburg, and Massena—46 miles apart at the ends of the International Rapids where the power project and United States navigation construction is taking place—are planning largely for tourist business and new industries which the seaway and the power will attract. Many recreational facilities will also be developed around the huge lake and inlets which will be created between them.

CANADA

Canadian lake port activity is concentrated at Toronto, Hamilton, and Windsor.

TORONTO

Planning and construction for the seaway began 3 years ago. A $1 million freight terminal for handling ocean ships and a $1,250,000 new dock wall have already been built. A new dock within the new dock wall is being studied. Toronto expects soon to have port facilities for 20 larger ships which will come up the St. Lawrence. After the seaway is a fact, it hopes to accommodate twice that many.

HAMILTON

Hamilton has built a $2,750,000 harbor administration building and has started an additional $2 million dock expansion and improvement program. It is extending the Welland Street docks to take care of six more oceangoing vessels and installing modern equipment to handle any kind of cargo.

On the books for later: Construction of more docks toward edge of city nearer to the big industrial area.

WINDSOR

Allocation of $2,800,000 for new dock facilities is the first step in a recommended development which will total $19 million. Construction of dock space and terminal warehouses would follow.

COMMENTS BY NEW PRESIDENT OF INTERNATIONAL CHAMBER OF COMMERCE

Mr. WILEY. Mr. President, on May 11 I commented in the RECORD with regard to the meeting in Tokyo of the International Chamber of Commerce, a vital organization of businessmen throughout the free world. I feel that the international chamber is an important means of helping to assure the prosperity and security of the free nations of the earth.

I was pleased to note in last week's New York Times an interview with the distinguished new president of the international chamber, Mr. Warren Lee Pierson, who had formerly served as chairman of the International Chamber's United States Council. I believe that Mr. Pierson's comments will be of interest to my colleagues. And I ask unanimous consent that the text of the New York Times article be printed in the body of the CONGRESSIONAL RECORD.

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

EASED TENSIONS HELD WORLD BOON—NEW HEAD OF INTERNATIONAL COMMERCE CHAMBER SEES BIG BENEFIT TO BUSINESS—PROSPERITY WITH PEACE—FREE NATIONS HAVE THE EDGE OVER COMMUNISTS, HE SAYS, IN SUPERIOR PRODUCTION

Eased world tensions, commercial and political, should work primarily to the advantage of the free world, Warren Lee Pierson, newly elected president of the International Chamber of Commerce, asserted yesterday.

Mr. Pierson's election was announced by Thomas J. Watson, Sr., at the Overseas Press Club. Mr. Pierson, who recently served as chairman of the chamber's United States Council, is chairman also of Trans World Airlines, Inc. Mr. Watson, who was president of the chamber from 1937 to 1939, is chairman of International Business Machines Corp. The chamber election was by mail ballot.

The new president succeeded Camille Gutt, whose term was extended after the death last May of president-elect George A. Sloan, industrialist and civic leader. Mr. Gutt, now head of Banque Lambert, Brussels, is former managing director of the International Monetary Fund.

NO FEAR OF COMMUNISTS

"The free nations," Mr. Pierson said, "have nothing to fear from economic competition with Communist countries. If these countries choose to open their markets to free competition with goods produced by private enterprise, it will not be long before we again demonstrate the superiority of our system of production."

Mr. Pierson noted that in the last 10 years, military, political, and commercial activities everywhere had been strongly influenced by international tensions. While there are growing signs of reduced tensions, dramatized in the summit meeting at Geneva, there still is reason for caution on Russian aims. But the outlook is hopeful, he added.

"If the hopeful view is justified," he declared, "no groups will rejoice more wholeheartedly than the business community in every free country. This is true not only because peace is the hope of all clear-thinking people, but also because businessmen have the greatest material stake in a world that has cordial international relations."

REASON FOR OPTIMISM

Mr. Pierson observed that the present prosperous trend of business in the United States and Canada gives every reason for optimism. Should it be possible to set aside the danger of war, he said, the free nations could look forward to a decade of unparalleled prosperity.

They would then have the opportunity for further expansion of the free world's economy that would extend peace-encouraging prosperity to many more areas, Mr. Pierson said. Given this progress, the possibilities for prevention of war would grow even stronger, he emphasized.

Asked about the outlook for increased East-West trade, Mr. Pierson said he did not believe the Geneva Conference would reach any conclusion on the matter. He noted that the free nations had greatly reduced restrictions on export nonstrategic goods to the Soviet bloc, and that the issue of East-West trade was no longer critical.

Should it become possible for free countries to sell competitively to Communist countries, he said, the latter would not be able to export as much as they would want to buy.

CONDITIONS ONE-SIDED

Asked what conditions would be required for closer economic ties between free and Communist countries, Mr. Pierson declared that the initiative for establishing these would be up to Russia. Present conditions are one-sided, he said, inasmuch as the Communist countries buy and sell through state trading organizations and do not permit establishment of private trade companies within their borders.

A freer position for private enterprise in establishing sales branches in Communist countries would be an essential step toward closer economic relations, he added.

Among major points in the chamber's program for the next 2 years, Mr. Pierson said, would be the adaptation of atomic energy as an aid to countries whose progress is impeded by a shortage of power. A main problem, he noted, would be the definition of the roles of private enterprise and governments in this development.

MORE AND BETTER DEFENSE FOR LESS MONEY—STATEMENT BY SENATOR CURTIS

Mr. CURTIS. Mr. President I ask unanimous consent that there be printed in the RECORD a statement I have prepared on the subject More and Better Defense for Less Money.

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

STATEMENT BY SENATOR CURTIS

MORE AND BETTER DEFENSE FOR LESS MONEY

The greatest item of cost for the American taxpayers is the cost of the defense load. It has been the objective of the Eisenhower administration and of Secretary of Defense Wilson to provide more and better defense for fewer dollars. I am happy to report that progress is being made toward that objective. It can be done, and it is being done.

Every American, whether he has served in the military service or not, can cite instances of great waste and unnecessary cost in the military field. Perhaps it has always been so. This is not a condemnation of every man and every officer in the service, as individuals. It is a wasteful system.

In considering ways to cut the cost of our military program we first might mention a few ways that it cannot be done. There is no magic involved, no one can wave a wand and bring about more defense for less money. It cannot be done by ruthlessly using a meat ax on a military budget. Of course, it cannot be done by eliminating part of our necessary defense program. It cannot be accomplished in any easy, simple way. It will never come about through an abundance of ignorance.

Economy in our defense program can only come about by the combination of (1) by using the highest possible scientific know-how, (2) by applying this know-how to an awkward, unruly, cumbersome system, and (3) an honest desire to eliminate waste, prevent overlapping and reduce cost. This can only come about by hard, determined, and oftentimes uninteresting work.

I want to congratulate and commend the civilian leadership in our Department of Defense, the military leadership in our Air Force, the Bureau of Navy Ordnance, and elsewhere in our services.

I recently learned of a program which no one in the Defense Department had ever brought to my attention and I consider it most noteworthy. We are all well aware of the greatly increased requirements of the Armed Forces for products of the electronic industry. The Air Force with a substantial part of its budget being spent on electronic gear recognized that it could stretch that budget much further if such costly and complex equipment capabilities were studied and evaluated by unbiased experts. In a very far-sighted move, they engaged a private research group to study and evaluate much of this equipment. This group, still headed by a distinguished scientist, Dr. Carl L. Frederick, of Bethesda, Md., is quietly working with the Air Force to net savings running into the hundreds of millions of dollars. These savings are brought about in the following ways:

1. Eliminate duplications and overlaps in available equipment.

2. Locate gaps in coverage and recommend new developments to insure adequate equipment for future needs.

3. Systematize the classification and provide concise technical descriptions of avail-

able equipments in a form such that potential users can conveniently locate the sources of test equipment.

4. Present pertinent data so that manufacturers working on Air Force contracts will be better able to select and procure the best available equipment for their purpose.

5. Avoid duplications in developing new equipment.

6. Increase the use factor of various equipments and thus decrease the stocks of equipment as well as spare parts.

7. Simplify the procurement and supply cycle of logistics personnel and the users.

To those of us who do not possess a scientific mind and are not trained in electronics, it may be necessary that it be pointed out just how such a program saves money for the taxpayers. Let us consider an example. When our Air Force buys an electronic instrument from company A for installation on our military airplanes, that instrument cannot be used unless there is also supplied equipment to test that instrument. Usually, company A, then develops such a piece of testing equipment and they sell that to the Air Force. But, the Air Force uses hundreds, and perhaps thousands of different pieces of electronic equipment. These various pieces of equipment may have been purchased from many different companies. The Air Force, perhaps, in turn buys testing equipment for each one of these many electronic instruments or gadgets. Let us consider how this effects the inventory of supplies that the Air Force must maintain. This testing or measuring equipment is sent out to the various airbases. They are placed in storage depots. A fine supply sergeant, but who is not an electronic scientist, carefully catalogs, stocks, and maintains this testing equipment. What does the man in charge of the supplies do when some of his equipment gets down below a certain number, why he orders some more because he will be held accountable if that particular item is needed and is not on hand.

Continuing on with our example, wise leaders in the Air Force realize that no doubt, in this one field alone of measuring equipment there must be considerable duplication. They turned to the Frederick Research Corp., which is headed by my distinguished scientist friend whom I mentioned, Dr. Carl L. Frederick, who has as his associates many outstanding scientists and engineers. They undertook the job.

The decision on the part of the Air Force to follow such a course was not only basically sound, but it was a great public service to the American taxpayers. I want to give you an account of what happened.

The evaluation report on frequency measuring equipment revealed that 474 items with Government nomenclature were available from which to choose. Of this large number it was found that only 52 items were essential to meet the needs of the Air Force.

Cutting this category down from 474 to 52 items would save the Government millions of dollars in the development, manufacturing, and repair phases, and in the storage and handling of components which are now required as spare parts or auxiliary equipment for the major item.

In another Frederick Research Corp. evaluation report, it was found that there were 273 items of signal-generating equipment with military nomenclature. This number includes combination or group test sets as well as signal generators. Of these, only 46 items were found to be required for supporting Air Force prime equipments at the time the evaluation of this category was made.

Here is a perfect example of small business teaming up with the Defense Department to save the taxpayer's money. This type of work should be recognized and encouraged more often in the Government circles. I feel the responsible persons in the Air Force and at the Wright Air Development Center deserve to be and are commended for their very farsighted efforts in this regard. The Bureau of Ordnance of the Navy has, likewise, started such a program.

I have known Dr. Carl L. Frederick for many years. In addition to being one of the Nation's distinguished scientists, he is a devoted and dedicated citizen who is tackling a job that needs to be done. His thoroughness and his honesty have resulted in great savings for the American taxpayers. Perhaps no money spent by any government anywhere yields more than the money that has been spent to employ scientists of this kind for this particular job.

I have been in touch with various individuals in our military setup concerning the benefits of this work. Dr. Frederick has already saved the Government a tremendous amount of money. It is not possible to put an exact figure on the savings that have been brought about by reason of this activity. Responsible officers say that it runs into the millions. I know that it has already saved the taxpayers of this country hundreds of millions of dollars. If this program continues for a few years more, it can well be said that it will cut down Air Force inventories one-third and the savings to the American taxpayers will run into billions of dollars.

Yes, we are on our way with a program to provide more and better defense for fewer dollars. It is being brought about by the slow, hard, and intelligent way. That, however, is the only way anything worthwhile is accomplished. I want to congratulate again the leadership in our Defense Department, Dr. Frederick and his associates, and all others like him who are serving our Nation so well.

CALL OF THE CALENDAR

The PRESIDING OFFICER (Mr. SCOTT in the chair). Is there further morning business? If not, morning business is closed.

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

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

The Chief Clerk proceeded to call the roll.

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

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

Pursuant to the order previously entered, the calendar will now be called for the consideration of bills to which there is no objection. The clerk will state the first measure on the calendar.

RESOLUTIONS AND BILLS PASSED OVER

The resolution (S. Res. 17) to amend rule XXV of the Standing Rules of the Senate was announced as first in order.

Mr. ERVIN. Over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 300) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado, was announced as next in order.

Mr. ERVIN. Over.

The PRESIDING OFFICER. The bill will be passed over.

STUDY OF MERCHANT MARINE TRAINING AND EDUCATION

The Senate proceeded to consider the resolution (S. Res. 35) providing for a study of merchant marine training and education in the United States, which had been reported from the Committee on Interstate and Foreign Commerce without amendment and subsequently reported from the Committee on Rules and Administration with amendments.

The amendments of the Committee on Rules and Administration were, on page 1, line 3, after the word "directed", to insert "in accordance with section 134 of the Legislative Reorganization Act of 1946 and pursuant to its jurisdictions specified by rule XXV of the Standing Rules of the Senate"; on page 2, after line 4, to strike out "The committee shall determine the scope of such study and investigation." and insert "Sec. 2."; in line 9, to change the section number from "2" to "3"; in line 18, to change the section number from "3" to "4"; on page 3, line 1, after the word "States", to strike out "The expenses of the committee" and insert "Sec. 5. The expenses of the committee"; and in line 3, after the word "paid", to insert "through January 31, 1956,"; so as to make the resolution read:

Resolved, That the Senate Committee on Interstate and Foreign Commerce, or any duly authorized subcommittee thereof, is authorized and directed in accordance with section 134 of the Legislative Reorganization Act of 1946 and pursuant to its jurisdictions specified by rule XXV of the Standing Rules of the Senate to make a full and complete study and investigation of merchant-marine training and education in the United States including the status, cost, and training at the United States Merchant Marine Academy at Kings Point, N. Y., and at the State-operated merchant-marine academies, the training of merchant seamen, and the future personnel needs of the merchant marine as it relates to the national defense.

SEC. 2. The committee shall report its findings, together with such recommendations as it may deem advisable, to the Senate not later than January 31, 1956.

SEC. 3. For the purposes of this resolution, the committee or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the 84th Congress, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable.

SEC. 4. For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to employ upon a temporary basis such experts, consultants, and other employees as it deems necessary in the performance of its duties, and is authorized, with the consent of the head of the department or agency concerned, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government of the United States.

SEC. 5. The expenses of the committee under this resolution, which shall not exceed $50,000, shall be paid through January 31, 1956, from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

The amendments were agreed to.

Mr. PURTELL. Mr. President, I offer an amendment, on page 3, line 3, after

the word "exceed", to strike out "$50,000" and insert "$30,000." This amendment is by agreement with the sponsor of the resolution [Mr. PAYNE] and with the committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut.

The amendment was agreed to.

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

Mr. LEHMAN. Mr. President, reserving the right to object—and I do not intend to object to the consideration of this resolution—I merely wish to say that on a great many occasions I have objected to the consideration of this resolution on the call of the calendar. I have done so because I felt that it was important, before we approved such a resolution, that a bill I had introduced early in the session to amend the Merchant Marine Act to provide for the permanent maintenance by the Federal Government of a Merchant Marine Academy, an old and splendid institution at Kings Point, N. Y., be favorably acted upon by the committee and placed upon the calendar, so that there would be no delay in the consideration of the bill. A companion bill to my bill, previously passed by the House, has now been favorably reported and is on the calendar—Order No. 1102.

Therefore, I am glad to say at this time that I have no objection to the proposed study. I am sure the committee will make an objective and fair survey of the entire question of education for service in the merchant marine. We have need for both Federal and State training schools and the resolution requires a report by January 1, 1956. I have assurance that the Kings Point bill will be promptly taken up at the next session of the Congress.

The PRESIDING OFFICER. The resolution is open to further amendment. If there be no further amendment, the question is on agreeing to the resolution as amended.

The resolution, as amended, was agreed to.

BILLS, JOINT RESOLUTION, AND RESOLUTIONS PASSED OVER

The bill (S. 51) to amend the act entitled "To confer jurisdiction on the States of California, Minnesota, Nebraska, Oregon, and Wisconsin, with respect to criminal offenses and civil causes of action committed or arising on Indian reservations within such States, and for other purposes, was announced as next in order.

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S. J. Res. 31) proposing an amendment to the Constitution of the United States providing for the election of President and Vice President was announced as next in order.

Mr. PURTELL. Over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 912) to amend the act of April 23, 1930, relating to a uniform retirement date for authorized retirements of Federal personnel was announced as next in order.

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 63) to provide for the appointment of the heads of regional and district offices of the Post Office Department by the President by and with the advice and consent of the Senate was announced as next in order.

Mr. PURTELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1644) to prescribe policy and procedure in connection with construction contracts made by executive agencies, and for other purposes, was announced as next in order.

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 636) to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes, was announced as next in order.

Mr. PURTELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 3338) to amend section 1 of the act of March 12, 1914, was announced as next in order.

Mr. BIBLE. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 1408) for the relief of Caterina Ruello, was announced as next in order.

Mr. BIBLE. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The resolution (S. Res. 129) to certify the report of the Committee on the Judiciary to the United States attorney for the District of Columbia to the end that Joseph Starobin may be proceeded against in the manner and form provided by law, was announced as next in order.

Mr. PURTELL. Over.

The PRESIDING OFFICER. The resolution will be passed over.

The resolution (S. Res. 130) to certify the report of the Committee on the Judiciary to the United States attorney for the District of Columbia to the end that Harry Sacher may be proceeded against in the manner and form provided by law, was announced as next in order.

Mr. BIBLE. Over, by request.

The PRESIDING OFFICER. The resolution will be passed over.

The resolution (S. Res. 131) relating to the refusal of Harvey M. Matusow to answer questions before a Senate subcommittee, was announced as next in order.

Mr. BIBLE. Over, by request.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (H. R. 4808) to authorize the transmission through the mails of certain keys, identification devices, and small articles, and for other purposes, was announced as next in order.

Mr. PURTELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF VETERANS REGULATION NO. 1 (A)

The bill (H. R. 5893) to amend paragraph I (a) part I of Veterans Regulation No. 1 (a), as amended, to make its provisions applicable to active service on and after June 27, 1950, and prior to February 1, 1955, and for other purposes was announced as next in order.

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

Mr. PURTELL. Mr. President, reserving the right to object—and I shall not object—I wonder if we may have an explanation of the bill.

The PRESIDING OFFICER. An explanation is requested of Calendar No. 1030, House bill 5893.

Mr. BIBLE. Mr. President, the Senator from Virginia [Mr. BYRD], chairman of the Committee on Finance, is not present in the Senate Chamber at the moment.

This is a bill to amend paragraph I (a) of part I of the Veterans Regulation No. 1 (a) to include disabilities incurred during the Korean war.

The bill would amend section 212 of Public Law 212 of the 72d Congress to substitute $10,000 for $3,000 as the maximum amount which a retired officer of the United States Armed Forces, not retired for disabilities incurred in combat, can earn from both his retired pay and compensation for employment in the Federal or District of Columbia Governments.

The bill increases from $3,000 to $10,000 the limit under the so-called dual compensation provision.

Mr. PURTELL. I thank the Senator from Nevada for his explanation. I have no objection to the consideration of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of House bill 5893?

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

BILL PASSED OVER

The bill (H. R. 4744) to amend the Railroad Retirement Act of 1937, as amended, and the Railroad Unemployment Insurance Act was announced as next in order.

Mr. PURTELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

BILL PLACED AT FOOT OF CALENDAR

The bill (H. R. 6382) to amend the International Claims Settlement Act of 1949, as amended, and for other purposes, was announced as next in order.

Mr. ERVIN. Mr. President, this bill is the unfinished business. I ask that it be placed at the foot of the calendar.

The PRESIDING OFFICER. Without objection, the bill will be placed at the foot of the calendar.

PERMANENT COMMITTEE FOR THE OLIVER WENDELL HOLMES DEVISE

The Senate proceeded to consider the bill (S. 2346) to establish a permanent committee for the Oliver Wendell Holmes Devise, and for other purposes, which had been reported from the Committee on Rules and Administration with an amendment.

Mr. SALTONSTALL. Mr. President, House bill 7029, which is an identical bill, is now before the Committee on Rules and Administration. I ask unanimous consent that the Committee on Rules and Administration be discharged from the further consideration of House bill 7029, and that the Senate proceed to consider the House bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none; and the Committee on Rules and Administration is discharged from the further consideration of House bill 7029.

The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 7029) to establish a Permanent Committee for the Oliver Wendell Holmes Devise, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of House bill 7029?

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

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

The PRESIDING OFFICER. The amendment offered by the Senator from Massachusetts will be stated.

The LEGISLATIVE CLERK. On page 2, line 4, after the word "rate", it is proposed to strike out "based on the market quotations for the longest term obligations of the United States outstanding at the time of deposit" and insert "to be determined by the Secretary of the Treasury by estimating the average yield to maturity, on the basis of daily closing market bid quotations or prices during the month preceding the deposit on all outstanding marketable obligations of the United States having a maturity date of 15 or more years from the first day of such month."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2346 is indefinitely postponed.

Mr. MANSFIELD. Mr. President, should not the House bill be passed?

Mr. SALTONSTALL. It is my understanding that the House bill has been passed, with the committee amendment to the Senate bill inserted as an amendment. I further understand that the Senate bill has been indefinitely postponed. In that way we will get action in the House. That procedure is in accordance with the suggestion of the Parliamentarian.

The PRESIDING OFFICER. The Senator from Massachusetts is correct. The House bill, as amended, has been passed, and the Senate bill has been indefinitely postponed.

SUBCOMMITTEE ON WORLD DISARMAMENT—RESOLUTION PASSED OVER

The resolution (S. Res. 93) appointing a subcommittee to work toward the goal of world disarmament, was announced as next in order.

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

Mr. PURTELL. Mr. President, I ask that the resolution go over.

Mr. MANSFIELD. Mr. President, will the Senator withhold his objection, so that I may make a brief explanation?

Mr. PURTELL. I am happy to do so.

Mr. MANSFIELD. The resolution was considered by the Committee on Foreign Relations some time ago. The idea behind the resolution is to fix a goal toward which similar measures may be directed.

In the Committee on Rules and Administration the appropriation requested was reduced from $50,000 to $25,000, and the committee reported the resolution unanimously.

Mr. PURTELL. I am not expressing a personal opinion on the merits of the resolution, but I must ask that it go over, by request.

The PRESIDING OFFICER. The resolution will go over.

RETIRED PAY OF COAST GUARD OFFICERS OF 40 YEARS SERVICE OR MORE

The bill (S. 1834) to authorize certain retired commissioned officers of the Coast Guard to use the commissioned grade authorized them by the law under which they retired in the computation of their retired pay under the provisions of the Career Compensation Act of 1949, as amended was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 511 of the Career Compensation Act of 1949, as amended, is amended by striking out *"Provided,* That" and inserting in lieu thereof the following: *"Provided,* That for the purpose of the computation of (b) above, the retired or retirement pay of each commissioned officer of the Coast Guard who, upon retirement, was advanced one grade pursuant to the provisions of the act of January 12, 1923 (Public Law 381, 67th Cong.), shall, unless a higher rank or grade is authorized by any provision of law, be based upon the commissioned officer grade authorized for such officer by such act: *Provided further,* That."

SEC. 2. The amendment made by this act shall be effective as of October 1, 1949.

USE IN COASTWISE TRADE OF THE BARGE "IRRIGON"

The bill (S. 2432) to permit the use in the coastwise trade of the barge *Irrigon* was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 27 of the act of June 5, 1920, as amended (46 U. S. C., sec. 883), the barge *Irrigon,* official number 264,569, owned by Babbidge & Holt, Inc., an Oregon corporation, shall, upon compliance with documentation requirements other than those contained in such section, be documented as a vessel of the United States entitled to engage in the coastwise trade, and may be used in such trade as long as it is owned by a citizen of the United States and is so documented.

INVOLUNTARY RETIREMENT OF CERTAIN OFFICERS IN THE COAST GUARD

The bill (H. R. 5875) to amend title 14, United States Code, entitled "Coast Guard," for the purpose of providing involuntary retirement of certain officers, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

DESIGNATION OF OCTOBER 22, 1955, AS NATIONAL OLYMPIC DAY

The joint resolution (H. J. Res. 359) to authorize the designation of October 22, 1955, as National Olympic Day was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

DESIGNATION OF PERIOD FROM SEPTEMBER 17, THROUGH SEPTEMBER 23, AS CONSTITUTION WEEK

The concurrent resolution (S. Con. Res. 40) to designate the period from September 17, through September 23, as Constitution Week was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the President is authorized and requested to issue a proclamation designating the 7-day period beginning September 17 and ending September 23, 1955, as Constitution Week, and inviting the people of the United States to observe such week in schools, churches, and other suitable places with appropriate ceremonies and activities.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that a statement prepared by me be printed in the RECORD at this point.

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

STATEMENT BY SENATOR KNOWLAND

Senate Concurrent Resolution 40, designates the period from September 17 through September 23 as Constitution Week. In this day and age during a period when constitutional and representative government is under unceasing attack by the forces of totalitarianism, it seems to me to be critically necessary to focus the attention of our citizens and public officials on those historic acts which, taking place during the week of September 17, 1787, have brought the fullest development of freemen in a free society the world has known to date.

To individuals engrossed in the history of past ages and governments, a period of 168 years of achievement and progress under a free republic might not be considered a significant era of individual development when measured against the sands of time. However, I submit that history also records that where civilizations have flourished and died in the past, their decline has been due in a great degree to either the absence of a moral foundation for their form of government, or the failure of its citizens to pay proper allegiance to the form of government which had been established. In other words, Mr. President, as Benjamin Franklin so wisely announced, "We have given you a republic if you can keep it."

In May 1787, the outstanding leaders of the then young country assembled in convention in Philadelphia to propose amendments to the Articles of Confederation and to create a Federal Government having authority and power to regulate the Nation's affairs. George Washington, Benjamin Franklin, James Madison, Alexander Hamilton, Robert Morris, Edmond Randolph, and John Rutledge were among the 55 delegates to the Convention who met in continuous session for 5 months until the product of their labors, the United States Constitution, was approved unanimously by the Convention on September 17, 1787. During the week that followed the proposed Constitution was made known to the people throughout the country and 10 days later was transmitted by the Congress to the respective States.

It has long been my conviction that the men who sat at Philadelphia were motivated by divine guidance in submitting to the country and the world at large a representative system of law, order, and liberty. In these times of atheistic challenges of tyranny and suppression it behooves all of us, 165 million Americans, to appreciate and pay our allegiance and respect to the Constitution of the United States.

CELEBRATING THE 200TH ANNIVERSARY OF THE ACADIAN MIGRATION

The concurrent resolution (H. Con. Res. 50) commemorating the 200th anniversary of the migration of the Acadians from Nova Scotia to Louisiana and other areas was considered and agreed to.

The preamble was agreed to.

ISSUANCE OF COMMEMORATIVE MEDALS IN OBSERVANCE OF BENJAMIN FRANKLIN'S BIRTHDAY

The Senate proceeded to consider the bill (S. 463) to authorize the issuance of commemorative medals to certain societies of which Benjamin Franklin was a member, founder, or sponsor in observance of the 250th anniversary of his birth, which had been reported from the Committee on Banking and Currency, with amendments, on page 1, line 7, after the word "struck", to strike out "seventy" and insert "seventy-one"; in line 9, after the word "of", to strike out "twenty" and insert "twenty-one"; on page 2, at the beginning of line 23, to insert "and The Library Company of Philadelphia"; and on page 3, line 1, after the word "other", to insert "enterprises", so as to make the bill read:

Be it enacted, etc., That, in commemoration of the 250th anniversary of the birth of Benjamin Franklin occurring on January 17, 1956, and in connection with the observance and celebration of that event, the Secretary of the Treasury is authorized and directed to have struck 71 bronze medals of an appropriate design and inscription and to provide for the presentation of 21 such medals to the following-named scientific, educational, and welfare societies of which Benjamin Franklin was a member: The American Philosophical Society (Philadelphia), Philadelphia Society of the Sons of St. George, Accademia di Scienze, Lettre et Arti in Padors (formerly Reale Accademia), (Italy), L'Academie des Sciences, L'Institute de France (formerly Academie Royale), the Royal Society (England), Konigliche Gesellschaft der Wissenschafter, Gottingen (Germany), the Royal Society of Arts (England), Bataafsch Genootschap der Proefondervindelijke Wijsbegeerte (Netherlands), The Academie de Medicine (France), The Medical Society of London, The American Academy of Arts and Sciences (Boston), the Royal Society of Edinburgh, Real Academia de la Historia (Spain), Academie Nationale des Sciences, Belle-Lettres et Arts de Lyon (France), Real Accademia delle Science di Torino (Italy), the Manchester Literary and Philosophical Society (England), the Societa Patrioca diretta all'avanzamento dell'Agricultura delle Arti e delle Manifatture, Milano (Italy), the Philadelphia Society for Promoting Agriculture, the Society of Antiquaries of London, the Societe d'Agriculture, Sciences, Belle Lettres et Arts, Orleans (formerly Societe Royale) France, and the Library Company of Philadelphia, and for the presentation of 50 medals in cooperation with the 250th anniversary committee of the Franklin Institute to other enterprises, institutions, and societies founded or helped in their early development by Benjamin Franklin.

SEC. 2. Such sums as may be necessary to carry out the purposes of this act are hereby authorized to be appropriated.

The amendments were agreed to.

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

JOSE ARMANDO QUARESMA

The bill (H. R. 2949) for the relief of Jose Armando Quaresma was considered, ordered to a third reading, read the third time, and passed.

MODIFICATION OF BOUNDARIES OF YUMA AUXILIARY PROJECT, ARIZ.

The bill (S. 1683) to amend the act of June 13, 1949 (63 Stat. 172), and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the boundaries of the Yuma auxiliary project, Arizona, as limited by the act of June 13, 1949 (63 Stat. 172), are modified so as to exclude therefrom the following lands, containing two hundred eighty-five and thirteen one-hundredths irrigable acres more or less, and located in Yuma County, Ariz.:

TOWNSHIP 10 SOUTH, RANGE 23 WEST, GILA AND SALT RIVER BASE AND MERIDIAN

Section 6: Southwest quarter northeast quarter northwest quarter, west half northwest quarter southeast quarter northwest quarter, west half east half northwest quarter southeast quarter northwest quarter, southwest quarter southeast quarter northwest quarter, southwest quarter northwest quarter, northwest quarter southwest quarter.

Section 7: Southwest quarter northeast quarter northwest quarter, northwest quarter northwest quarter, northwest quarter southeast quarter northwest quarter, north half southwest quarter northwest quarter, southwest quarter southwest quarter northwest quarter, northwest quarter southwest quarter, north half southwest quarter southwest quarter, southwest quarter southwest quarter southwest quarter.

Section 18: North half northwest quarter northwest quarter, and in lieu thereof to include in said project those lands in the same county and State which are situate in section 33, township 9 south, range 23 west, and in sections 4 and 9, township 10 south, range 23 west, and which lie between the east boundary of the project as limited by said act and the east boundary of the right-of-way of the project's existing B-Main Canal and containing two hundred eighty-five and five one-hundredths irrigable acres more or less.

SEC. 2. This act shall become effective upon acceptance by the Unit B Irrigation and Drainage District of an amendment to its contract dated December 22, 1952, with the United States whereby the description of the Yuma auxiliary project therein contained or incorporated by reference is revised to conform to the modification of the boundaries of said project as hereinbefore provided.

BILL PASSED OVER

The bill (S. 1194) to provide for construction by the Secretary of the Interior of Red Willow Dam and Reservoir, Nebr., as a unit of the Missouri River Basin project was announced as next in order.

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

Mr. ERVIN. Mr. President, I ask that the bill go over, by request.

The PRESIDING OFFICER. The bill will be passed over.

COMPACT BETWEEN THE STATES OF KANSAS AND OKLAHOMA RELATING TO APPORTIONMENT OF WATERS OF THE ARKANSAS RIVER

The Senate proceeded to consider the bill (S. 730) granting the consent of Congress to the States of Kansas and Oklahoma to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Arkansas River and its tributaries as they affect such States, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 2, line 6, after the word "the", where it appears the first time, to insert "President and to the"; in line 10, after the word "and", to strike out "approved" and insert "consented to"; and in line 11, after the word "States", to insert a colon and *"Provided,* That any compact negotiated under the authority of this act shall recognize the respective rights of the States of Kansas and Colorado in the waters of the Arkansas River, as established by the Arkansas River Compact consented to by Public Law 82, 81st Congress, 1st session", so as to make the bill read:

Be it enacted, etc., That the consent of Congress is hereby given to the States of Kansas and Oklahoma to negotiate and enter into a compact relating to the interests of such States in the development and protection from pollution of the water resources of the Arkansas River and its tributaries, and providing for an equitable apportionment among them of the waters of the Arkansas River and its tributaries flowing between such States, and for matters incident thereto, upon the condition that one qualified person appointed by the President of the United States shall participate in such negotiations as chairman, representing the United States, and shall make a report to the President and to the Congress of the proceedings and of any compact entered into. Such compact shall not be binding or obligatory upon any of the parties thereto until it shall have been ratified by the legislatures of each of the respective States, and consented to by the Congress of the United States: *Provided,* That any compact negotiated under the authority of this act shall recognize the respective rights of the States of Kansas and Colo-

rado in the waters of the Arkansas River, as established by the Arkansas River Compact consented to by Public Law 82, 81st Congress, 1st session.

SEC. 2. There is hereby authorized to be appropriated a sufficient sum to pay the salary and expenses of the representative of the United States appointed hereunder: *Provided*, That such representative, if otherwise employed by the United States while so employed, shall not receive additional salary in the appointment hereunder.

The amendments were agreed to.

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

COMPENSATORY ABSENCE OF COAST GUARD PERSONNEL

The Senate proceeded to consider the bill (S. 2566) to amend title 14, United States Code, so as to provide for compensatory absence of Coast Guard military personnel serving at isolated aids to navigation, and for other purposes, which had been reported from the Committee on Interstate and Foreign Commerce, with amendments, on page 2, line 6, after the word "inserting", to strike out "following and underneath item 510", and in line 9, after the word "inserting", to strike out "immediately following section 510 thereof,", so as to make the bill read:

Be it enacted, etc., That section 432 (f) of title 14, United States Code, is amended by inserting the words "as amended" following the words "Federal Employees Pay Act of 1945."

SEC. 2. Section 432 (g) of title 14, United States Code, is amended by amending the first sentence thereof to read as follows: "The head of the department in which the Coast Guard is operating, under regulations prescribed by him, may regulate the hours of duty and the pay of civilian keepers of lighthouses and civilians employed on lightships and other vessels of the Coast Guard, but such personnel may be called upon for duty in emergency circumstances or otherwise at any time or all times."

SEC. 3. The analysis of chapter 13 of title 14, United States Code, is amended by inserting in such analysis, the following item:

"511. Compensatory absence of military personnel at isolated aids to navigation."

SEC. 4. Chapter 13 of title 14, United States Code, is amended by inserting a new section as follows:

"§ 511. Compensatory absence of military personnel at isolated aids to navigation.

"The head of the department in which the Coast Guard is operating, under regulations prescribed by him, may grant compensatory absence from duty to military personnel of the Coast Guard serving in lightships and at lighthouses and other isolated aids to navigation of the Coast Guard when conditions of duty result in confinement because of isolation or in long periods of continuous duty."

The amendments were agreed to.

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

DISTRICT OF COLUMBIA ARMORY BOARD

The Senate proceeded to consider the bill (H. R. 6259) to amend section 8 of the act entitled "An act to establish a District of Columbia Armory Board, and for other purposes," approved June 4, 1948, which had been reported from the Committee on the District of Columbia, with an amendment, on page 1, line 5, after the numerals "1948", to strike out "sec. 2–1706" and insert "sec. 2–1708."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CONSTRUCTION OF BRIDGE OVER POTOMAC RIVER

The Senate proceeded to consider the bill (S. 2568) to amend title 1 of the act entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes; which had been reported from the Committee on the District of Columbia, with an amendment, on page 2, line 7, after the word "the" where it appears the second time, to strike out "Fine Arts Commission" and insert "Commission of Fine Arts", so as to make the bill read:

Be it enacted, etc., That subsection (a) of the first section of title I of the act entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes", approved August 30, 1954 (68 Stat. 961), is amended (a) by inserting immediately after the phrase "Potomac River", where it first appears, the phrase "to be known as the Theodore Roosevelt Bridge,"; and (b) by striking the period at the end of said subsection and adding the following: ": *Provided further*, That the bridge hereby authorized to be constructed may cross such portion of either of the two islands comprising the said Theodore Roosevelt Memorial Island as may be agreed upon between the Theodore Roosevelt Association and the Commissioners. The general plan and profile of the bridge structure shall be subject to the approval of Commission of Fine Arts. The general location of the bridge, approaches, interchanges, and connecting roads on lands under the jurisdiction of the Secretary of the Interior shall be subject to his approval. The bridge, approaches, interchanges, and connecting roads at both ends of the bridge shall be constructed with a view to retaining so far as possible the monumental setting and the artistic design of the Lincoln Memorial, the Arlington Memorial Bridge, and other monumental structures, properties, and park lands in the general area."

SEC. 2. Section 102 of said act approved August 30, 1954, is amended by striking the period at the end thereof and adding the following: ": *Provided*, That the Secretary of the Interior shall retain control and jurisdiction over all park lands in the vicinity of the bridge other than such lands as may be required for the actual bridge structure and other than the surface of the approach roads and streets between curbs, which shall be the responsibility of the government of the District of Columbia."

The amendment was agreed to.

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

CONSTRUCTION OF VENTURA RIVER PROJECT—BILL PASSED OVER

The bill (S. 926) to authorize the Secretary of the Interior to construct, operate, and maintain the Ventura River reclamation project, California, was announced as next in order.

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

Mr. ERVIN. Mr. President, by request, I ask that the bill go over.

Mr. KUCHEL. Mr. President, will the Senator withhold his objection for a moment?

Mr. ERVIN. I am glad to do so.

Mr. KUCHEL. Will the Senator tell me who requested that the bill go over?

Mr. ERVIN. I will, if the Senator will consult with me privately.

Mr. KUCHEL. I shall do that. I thank my friend from North Carolina for withholding his objection for the moment. I want to make a comment or two at this time.

The Commissioner of Reclamation, Mr. Wilbur A. Dexheimer, testified before the committee that S. 926, introduced by my senior colleague [Mr. KNOWLAND] and me, is perhaps the finest piece of proposed reclamation legislation which it has ever been his responsibility to urge Congress to approve during the time he has served in his present position.

I wish my friends on the Democratic side of the aisle, as well as those on the Republican side, to know that the bill was approved unanimously by the Subcommittee on Irrigation and Reclamation, and it was also approved unanimously by the Committee on Interior and Insular Affairs. It is a $27 million multipurpose water project, completely reimbursable except for $167,000.

The bill would permit the people of the county of Ventura, in the State which I have the honor in part to represent in the Senate, to obtain Federal assistance in the construction of a multiple purpose water project, almost the entire cost of which would be reimbursed to the Federal Treasury by the residents and the taxpayers to be served.

Water is critical in my State, Mr. President. Ours is a semiarid State. We have cycles of dry years and cycles of wet years. If water is not conserved by public works, it wastes into the ocean, and it is not replaceable. Ventura County, Calif., is a beautiful area. It adjoins the Pacific. Its climate is salubrious. Good people live there, Mr. President, in cities and towns, and on ranch properties, and orange, lemon, and avocado groves. They need this legislation. It will assist them in their water supply, municipally, agriculturally, and industrially. Their principal city, Ventura, now has wells close to the ocean. Salt water intrusion is a continuing hazard. This bill will help them. Who should oppose this legislation and why?

I say that, Mr. President, because I am not so much hurt as I am shocked to learn that a Senator has requested the chairman of the majority calendar committee to object to the bill.

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

Mr. KUCHEL. I yield.

Mr. MORSE. I believe the project under discussion is a very sound one. I have studied it very carefully. I hold to

the view that it makes no difference where the project is located, whether in Florida, or Maine, or California, or Idaho, or Iowa, or anywhere else, so long as the project is sound and meets the cost-ratio formula, and will help to develop the resources of the country, it should be approved.

Mr. KUCHEL. Do I understand correctly that the Senator approves the proposed legislation?

Mr. MORSE. I am reinforcing the position taken by the Senator from California. I believe it is a sound project.

Mr. KUCHEL. I thank the Senator very much.

Mr. ERVIN. Mr. President, as a result of a request made of the calendar committee, I ask that the bill go over.

The PRESIDING OFFICER. The bill will go over.

REPAYMENT CONTRACT WITH THE YUMA MESA IRRIGATION AND DRAINAGE DISTRICT, ARIZONA

The Senate proceeded to consider the bill (S. 1689) to authorize the Secretary of the Interior to execute a repayment contract with the Yuma Mesa Irrigation and Drainage District, Gila project, Arizona, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 2, after line 3, to strike out "by the Secretary among the 12,252.7 acres of class 2 lands and the 7,717.3" and insert "by the Secretary among the 12.023.6 acres of class 2 lands and the 7,946.4", and on page 4, line 5, after the word "district", to insert "which disposition is hereby authorized on terms and conditions satisfactory to the Secretary", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized to execute a contract with the Yuma Mesa Irrigation and Drainage District, Gila project, Arizona, on such terms and conditions as the Secretary deems appropriate, which shall provide, among other things, for repayment by the district to the United States over a period of not exceeding 60 years from the end of the development period for each irrigation block established by the Secretary for lands situate within said district of (1) an average of $200 per acre for lands in said district for which irrigation facilities have been constructed, to be allocated as determined to be appropriate by the Secretary among the 12,023.6 acres of class 2 lands and the 7,946.4 acres of class 3 lands in the district, as classified in the Bureau of Reclamation report titled "Land Classification Report, Unit 1, Yuma Mesa Division, Gila Project, Arizona, May 1949," as amended, made pursuant to subsection (d) of section 4 of the act of December 5, 1924 (43 Stat. 702, 43 U. S. C. 462); (2) the unpaid operation and maintenance charges which accrued prior to June 30, 1954, totaling $297,167.45, as allocated by the Secretary to said lands situate within the district; and (3) the costs of the works authorized in section 2 thereof, not exceeding $1,350,000, and further providing for the release, on such terms and conditions as the Secretary finds appropriate, of the existing predevelopment contracts and mortgages held by the United States on the lands situate within the district which were predeveloped by the United States, and for the repayment to the United States by the lands benefited by said predevelopment of the amounts provided for in said mortgages in the same period within which the costs for the construction of the irrigation facilities are to be repaid.

SEC. 2. The Secretary is authorized on such terms and conditions as he deems appropriate to make drainage surveys and investigations of the lands within the district, to construct drainage facilities and works, therefor, to install additional pump capacity in the Yuma Mesa Pump Plant of not to exceed 275 cubic feet per second, to construct such buildings determined by him to be appropriate in connection with the operation and maintenance of the lands situate within the district, and to provide in the contract referred to in section 1 hereof for the performance of such work.

SEC. 3. Expenditures by the United States in excess of the amounts to be repaid by the district as provided in section 1 hereof, which have been allocated by the Secretary (a) to acreage eliminated from the Gila project pursuant to the act of July 30, 1947 (61 Stat. 628), (b) to dust control on the Yuma Mesa Division, Gila project, (c) to that portion of predevelopment costs not heretofore covered by contracts and mortgages covering predevelopment charges on land situate within the district, and (d) other costs allocated by the Secretary to the lands situate within the district not otherwise covered by the repayment obligation in section 1 hereof to be assumed by the district or not otherwise allocated by the Secretary to other contracting entities and which are assumed or are to be assumed by them, shall be nonreimbursable: *Provided*, That all revenues from the disposal of public lands within the district, which disposition is hereby authorized on terms and conditions satisfactory to the Secretary, or from special water service contracts other than those which the Secretary determines are allocable to operation and maintenance costs of the district shall be retained by the United States.

SEC. 4. The authority granted in section 1 of this act to execute said contract shall terminate on December 31, 1957.

SEC. 5. This act is declared to be a part of the Federal reclamation laws as they are defined in the Reclamation Project Act of 1939 (53 Stat. 1187).

The amendments were agreed to.

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

BILLS PASSED OVER

The bill (S. 2442) to provide for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects, and for other purposes, was announced as next in order.

Mr. ERVIN. Mr. President, because of a request made of me, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2603) to authorize the providing of family housing for the chairman of the Joint Chiefs of Staff was announced as next in order.

Mr. ELLENDER. Mr. President, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

CONVEYANCE OF CERTAIN LANDS WITHIN CAVEN POINT TERMINAL, NEW JERSEY

The Senate proceeded to consider the bill (S. 1261) to authorize the conveyance of certain lands within Caven Point Terminal and Ammunition Loading Pier, New Jersey, to the New Jersey Turnpike Authority, which had been reported from the Committee on Armed Services, with an amendment, on page 4, line 13, after the word "Authority", to insert "its successors, contractors, lessees, or assigns", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Army is hereby authorized and directed to convey by quitclaim deed to the New Jersey Turnpike Authority, a body corporate and politic organized and existing under and by virtue of the laws of the State of New Jersey, for street or road purposes and other purposes connected therewith or related thereto, including restaurants, gasoline stations, rest rooms, parking areas, maintenance shops, and storage areas for maintenance equipment, whether operated by the New Jersey Turnpike Authority or others, all right, title, and interest of the United States, except as otherwise reserved in this act, in and to a certain parcel of land within Caven Point Terminal and Ammunition Loading Pier, New Jersey, situated in the city of Jersey City, county of Hudson, and State of New Jersey, and more particularly described as follows:

Parcel R–30A–2 as designated on a map filed or about to be filed in the Office of the Register of Deeds of said county, entitled: "New Jersey Turnpike Authority, New Jersey Turnpike, Newark Bay-Hudson County Extension, Parcel Property Map."

Said Parcel R–30A–2 including specifically all the land and premises lying within the proposed lines of the New Jersey Turnpike, Newark Bay-Hudson County extension, and described as follows:

Beginning at a point in the division line of lands now or formerly of the United States Army, and lands now or formerly of Lehigh Valley Railroad Co., said point being a point common to lots 1B and 1A; thence (1) north 37 degrees 13 minutes 52 seconds east continuing along last-mentioned division line 495.43 feet to a point; thence (2) north 79 degrees 24 minutes 23 seconds east continuing along aforesaid last-mentioned division line 440.75 feet to an angle point in said division line; thence (3) north 71 degrees 17 minutes 52 seconds east, continuing along said division line 444.40 feet to a point in the northwesterly boundary of lands now or formerly of Tankport Terminals, Inc.; thence (4) southerly along the division line between lands of the United States Army, and lands now or formerly of Tankport Terminals, Inc., said division line being a curve to the left having a radius of 441.68 feet, an arc distance of 384.72 feet to a point; thence (5) running along the proposed right-of-way line of the Newark Bay-Hudson County Extension of the New Jersey Turnpike, the following courses and distances, said right-of-way line being a curve to the left having a radius of 374.27 feet, an arc distance of 120.27 feet to a point; thence (6) south 21 degrees 13 minutes 47 seconds west, a distance of 134.93 feet to a point; thence (7) following a curve to the right having a radius of 531.44 feet, an arc distance of 578.18 feet to a point; thence (8) south 83 degrees 33 minutes 52 seconds west, distant 136.69 feet to a point; thence (9) along the arc of a curve to the left having a radius of 493.34 feet, an arc distance of 54.39 feet to a point in the line dividing lot 4C and lot 1A; thence (10) north 33 degrees 13 minutes 08 seconds west, a distance of 273.59 feet to the point of beginning, containing 396,913.0 square feet more or less, or 9.11 acres more or less, being also designated as part of lots 1A, 1D, 2, 3C in block 1500, and part of lot 1D in block 1494 on the tax map of the city of Jersey City, together with any and all right of direct access to and from the aforementioned extension of the New Jersey Turnpike constructed or to

be constructed on land hereinabove described.

SEC. 2. The conveyance authorized by this act shall be made subject to (a) the condition that the New Jersey Turnpike Authority pay into the Treasury of the United States, in return for the land conveyed, an amount equal to the fair market value of such land to be determined by the Secretary of the Army after appraisal of such land, and (b) such other conditions, limitations, or reservations as the Secretary may deem necessary to assure that the use of such land by the New Jersey Turnpike Authority, its successors, contractors, lessees, or assigns, shall not interfere with the operation of the aforementioned installation and to assure that the interest of the United States shall be protected.

SEC. 3. All mineral rights, including gas and oil, in the lands authorized to be conveyed by this act shall be reserved to the United States.

SEC. 4. There shall be further reserved to the United States in the conveyance of the above-described lands, rights-of-way for water lines, sewer lines, telephone and telegraph lines, power lines, and such other utilities which may now exist or which may become necessary to the operation of the Caven Point Terminal and Ammunition Loading Pier. Any such utility crossings required by the United States subsequent to the opening of the Newark Bay-Hudson County extension of the New Jersey Turnpike to traffic, shall be installed underground and at the expense of the United States.

SEC. 5. In executing the deed of conveyance authorized by this act, the Secretary of the Army shall include specific provisions covering the reservations contained in sections 3 and 4 of this act.

SEC. 6. In the event actual construction of such street or road and other construction connected therewith or related thereto is not commenced within 2 years from the date of enactment of this act, or in the event such property shall cease to be used for street or road purposes and other purposes connected therewith or related thereto for a period of 2 consecutive years, then title to such land, including all improvements made by the New Jersey Turnpike Authority, shall immediately revert to the United States without any payment by the United States of compensation therefor.

SEC. 7. The provisions of section 601 of the act of Congress approved September 28, 1951 (Public Law 155, 82d Cong.), shall not apply to the conveyance authorized by this act.

The amendment was agreed to.

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

Mr. MORSE. Mr. President, I wish to commend the Senators from New Jersey [Mr. SMITH and Mr. CASE] and the Senator from Massachusetts [Mr. SALTONSTALL] for the form in which the bill appears. It provides for the reservation of all mineral rights and for payment on the basis of appraisal according to the fair market value. I think it is a sound bill.

ADJUSTMENTS IN THE DATES OF RANK OF NURSES OF THE REGULAR ARMY AND AIR FORCE

The bill (H. R. 2150) to further amend section 106 of the Army-Navy Nurses Act of 1947, so as to provide for certain adjustments in the dates of rank of nurses and women medical specialists of the Regular Army and Regular Air Force in the permanent grade of captain, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

CREDIT FOR PRIOR ACTIVE SERVICE PERFORMED BY CERTAIN COMMISSIONED OFFICERS

The bill (H. R. 4106) to authorize the crediting for certain purposes of prior active Federal commissioned service performed by a person appointed as a commissioned officer under section 101 or 102 of the Army-Navy Nurses Act of 1947, as amended, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

LOAN OF CERTAIN ARMY, NAVY, AND AIR FORCE EQUIPMENT TO THE GIRL SCOUTS OF THE UNITED STATES

The bill (H. R. 4218) to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment, and to provide certain services to the Girl Scouts of the United States of America for use at the Girl Scout Senior Roundup Encampment, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

RELEASE OF EXPRESS CONDITION AND LIMITATION ON CERTAIN LAND CONVEYED TO THE VILLAGE OF SAG HARBOR, N. Y.

The bill (H. R. 4717) to provide for the release of the express condition and limitation on certain land heretofore conveyed to the trustees of the village of Sag Harbor, N. Y., was announced as next in order.

Mr. MORSE. Mr. President, I have a problem or two in connection with this bill which I should like to have cleared up before I consent to its passage.

I understand that in 1926 the United States conveyed to the village of Sag Harbor, N. Y., a tract of 2,988 square feet for $150, subject to a reversion to the grantor in the event the tract should cease to be used for park purposes.

The village erected a fence on what it thought was the west boundary of the property. In fact, the fence was 13 feet east of the west boundary. A private owner then erected a two-story building at the fence boundary, assuming it to be correct.

The bill would authorize the Secretary of the Army to release by quitclaim deed the public-use condition with respect to 650 square feet of the original 2,988 square feet, which is 1.5 percent of an acre. There is no provision for payment of consideration.

I realize that the committee report points out that it is a de minimus matter and recommends that the interest be given up. However, the report states that the Morse formula is not applied here. It must be on the basis of de minimus. Is that the only theory involved?

Mr. ERVIN. Mr. President, I would state that that is the reason the committee approved the bill. It would cost more to have an appraisal to determine the market value than the market value itself would seem to be.

Mr. MORSE. That is what I wish to bring out, in order that it may be perfectly clear for the RECORD. If I insist upon 50 percent of the appraised fair market value for this property, I will be insisting upon something which the committee can assure me would cost more, by way of appraisement, than 100 percent of the property would be worth.

Mr. ERVIN. That is the reason why the committee reconsidered the question of whether it should amend the bill to require payment of the fair market value. We were satisfied that the appraisal would cost more than the Government could realize from the property.

Mr. MORSE. Mr. President, I wish the RECORD to be perfectly clear. I have never made any exception to the application of the Morse formula, which requires the payment of 50 percent of the appraised fair market value of a piece of property sought to be transferred, because I have never had presented before a case in which 50 percent of the appraised fair market value would not be at least one copper over and above the cost of having an appraisement. The whole purpose of the Morse formula is to save money for the taxpayers. The purpose is not to cost the taxpayers anything.

The committee presents to me a situation in which only a few square feet of land are involved, and the Government has a reversionary interest in that——

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

Mr. MORSE. I yield.

Mr. SALTONSTALL. It is my understanding that Sag Harbor Village paid $150 for the whole tract in 1926, and the purpose of the bill is to relieve the cloud with reference to a portion of the land which has not even a nominal value.

Mr. MORSE. It is not a transfer of any property other than a reversionary interest to a few square feet of property which in and of itself constitutes a cloud on the title. Sag Harbor originally paid $150 for these few square feet of property. If we insisted upon the application of the Morse formula, it would cost more to appoint an appraiser and pay his expenses than could possibly be obtained by way of a return from the property.

With that explanation, Mr. President, and since, in my judgment, the bill, therefore, does not violate the Morse formula, because its purpose is to save money for the taxpayers and not to cost them money, I raise no objection to the bill.

I also wish to commend the committee on the fact that they show by their report their recognition of the soundness of the principle of the Morse formula. If the situation were not such that it would cost more to collect than the value which would be received, it would be perfectly clear that the Morse formula would be applicable in this case.

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

There being no objection, the bill (H. R. 4717) was ordered to a third reading, read the third time, and passed.

ELIGIBILITY FOR RETIREMENT OF CERTAIN COMMISSIONED OFFICERS OF THE NAVY, MARINE CORPS, AND COAST GUARD

The bill (H. R. 4886) to provide that active service in the Army and Air Force shall be included in determining the eligibility for retirement of certain commissioned officers of the Navy, Marine Corps, and Coast Guard was considered, ordered to a third reading, read the third time, and passed.

TRANSPORTATION AND STORAGE OF HOUSEHOLD GOODS OF MILITARY PERSONNEL

The bill (H. R. 6277) to amend subsection 303 (c) of the Career Compensation Act of 1949 relating to transportation and storage of household goods of military personnel on permanent change of station was considered, ordered to a third reading, read the third time, and passed.

SUBSISTENCE ALLOWANCES TO ENLISTED PERSONNEL

The bill (H. R. 7194) to authorize subsistence allowances to enlisted personnel was considered, ordered to a third reading, read the third time, and passed.

ISSUANCE OF COMMISSION POSTHUMOUSLY TO SEYMOUR RICHARD BELINKY

The joint resolution (H. J. Res. 251) to authorize the President to issue posthumously to the late Seymour Richard Belinky, a flight officer in the United States Army, a commission as second lieutenant, United States Army, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 2107) to amend the National Defense Facilities Act of 1950 to provide for additional facilities necessary for the administration and training of units of the Reserve components of the Armed Forces of the United States, and for other purposes, was announced as next in order.

Mr. PURTELL. Mr. President, reserving the right to object, and I shall object, without expressing in any way a personal opinion with reference to the bill, I feel that since the sum of $250 million is involved, it is not properly consent-calendar business. Therefore, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

PERMANENT APPOINTMENTS IN THE UNITED STATES NAVY AND UNITED STATES MARINE CORPS

The Senate proceeded to consider the bill (H. R. 2109) to authorize permanent appointments in the United States Navy and in the United States Marine Corps, which had been reported from the Committee on Armed Services, with an amendment on page 4, to insert:

SEC. 5. The authority contained in this act shall expire 2 years from and after the date of enactment of this act.

The amendment was agreed to.

Mr. MORSE. Mr. President, I offer an amendment, which I ask to have read.

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

The LEGISLATIVE CLERK. At the appropriate place it is proposed to insert an additional section, as follows:

SEC. —. (a) That part of the third sentence of the 11th paragraph of the 1st section of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1883, and for other purposes," approved August 5, 1882 (22 Stat. 286) which immediately precedes "And provided further" is amended to read as follows: "Hereafter, except as may be authorized or approved by the President by and with the advice and consent of the Senate, or as otherwise provided by law, there shall be no promotion or increase of pay in the retired list of the Navy but the rank and pay of officers on the retired list shall be the same that they are when such officers shall be retired."

(b) This section shall be effective January 1, 1942.

Mr. MORSE. Mr. President, the amendment I offer aims to modify certain discriminatory legislation which 73 years ago was written into an appropriation bill—the Naval Appropriation Act for fiscal 1883, 22 United States Statutes 286, enacted August 5, 1882. Certain language in that act has in recent years proved to be discriminatory against the retired list of the Navy, whereas the Army, the Air Force, and the Marine Corps are not affected by it nor by any similar statutory language.

At present the old language I seek to amend reads thus:

Hereafter there shall be no promotion or increase of pay in the retired list of the Navy, but the rank and pay of officers on the retired list shall be the same that they are when such officers shall be retired.

My amendment simply inserts the following phrase after the word "hereafter":

Except as may be authorized by the President by and with the advice and consent of the Senate, or as otherwise provided by law.

My amendment would be made effective from January 1, 1942, near the start of World War II, when rapid, short-cut, informal promotions systems came into vogue.

That the existing language discriminates against the Navy retired list alone was confirmed 2 years ago, when the Air Force Judge Advocate General advised a Member of Congress, Representative JAMES P. S. DEVEREUX, that the act of August 5, 1882, 22d United States Statutes at Large, page 286, title 34, United States Code, section 402, was applicable only to the Navy, and that the Army and Air Force were never brought under the policy by that or any similar act.

In addition to removing this indisputable area of discrimination between branches of the military service, my amendment would very properly modify language which comes disturbingly close to invading the appointive powers of the President under the Constitution.

My amendment would simply restore to the President his constitutional power, by and with the advice and consent of the Senate, to appoint a retired officer of the Navy to a higher grade on the retired list, and to receive the retired pay of the higher grade, in circumstances where such appointment would satisfy the ends of equity and individual justice.

Finally, I may say that a year ago, on June 18, 1954, the Arends subcommittee of the House Committee on Armed Services, after a hearing and due deliberation, actually voted to amend the old Naval Appropriation Act of fiscal 1883 along much the same line and with substantially the same intent as my amendment now seeks to do, but final action never was taken by the other body.

The opportunity again knocks, Mr. President, to remove this inconsistent area of military or naval discrimination, as well as to recede from a position which borders close to an infringement upon the constitutional appointive powers of the President. Let us do it now.

I hope, Mr. President, that the Senate will agree to the amendment I have offered.

Mr. ERVIN. Mr. President, I hope the Senator from Oregon will withdraw his amendment. It is not germane to the bill. As I understand, it relates to the retirement of officers of the Navy. The bill under consideration relates to persons who have not yet been admitted to the Navy or the Marine Corps.

All the bill does is to authorize the Department of the Navy, during the period of the 2 years next ensuing the passage of the bill, to grant commissions in the Regular Navy and the Regular Marine Corps. In the case of the Navy, commission would be made available to 500 Reserve officers of the first 3 grades for each year, and in the case of the Marine Corps, commissions would be authorized for 250 reservists for each year. In other words, the bill relates to persons who have not been admitted to either the Navy or the Marine Corps. I think the bill is meritorious.

The amendment offered by the Senator from Oregon, as I understand, relates to the retirement of persons from the Navy. While I am not sufficiently familiar with the retirement matter to pass on the merits of the Senator's amendment, I think the amendment relates to something which should be introduced as a separate bill and referred to the Committee on Armed Services for further study.

Mr. MORSE. Mr. President, I may say to the Senator from North Carolina that I am speaking about a cause célèbre. The injustice which is being sought to be corrected has been before Congress for about 4 or 5 years.

I observe the senior Senator from Massachusetts [Mr. SALTONSTALL] on the floor. I am certain he will recall that when I was a member of the Committee on Armed Services we tried to do equity

in this case. The feeling in the Senate for a long time has been that justice should be done.

We have run into a roadblock in the Navy Department for many years. The Navy Department keeps hiding behind discriminatory legislation.

The amendment is germane in the sense that we are trying to have the Navy correct a wrong. We have tried almost every route to accomplish justice in this case. I am not the first person who has attempted to do justice. I think I am about the sixth among the Senators who, at one time or another, have sponsored amendments of this type. All the Senators who have studied the facts of this case have reached the conclusion that the Navy is doing an injustice.

I repeat what I have said in years gone by about this case. The Government never should become so big and grow so cold that it cannot do justice to individuals. I shall press for the acceptance of my amendment.

Mr. ERVIN. Mr. President, I hope the Senate will reject the amendment, because the bill only opens the door to the future for about 750 reservists. They ought not to have the door closed on them in order that there might be the correction, assuming the correctness of the premise of the Senator from Oregon, of an inequity of the past.

I hope the Senate will reject the Senator's amendment, and will pass the bill, so that the reservists can be given commissions in the Regular Navy and the Regular Marine Corps.

Mr. MORSE. May I make an inquiry or two of my friend from North Carolina? Can he advise me whether or not the Rawlins case is being considered by any subcommittee of the Committee on Armed Services, so that we may have some hope of receiving a report from the Committee on Armed Services on the matter?

Perhaps the senior Senator from Massachusetts can help us, because in times past he has been insistent on having the injustice corrected.

Mr. SALTONSTALL. Mr. President, will the Senator from North Carolina yield?

Mr. ERVIN. I am glad to yield to the Senator from Massachusetts, so that he may answer the inquiry of the Senator from Oregon.

Mr. SALTONSTALL. Last year, when the Rawlins and the Shanahan cases were considered, a statement was made for the first time, so far as I know, that Admiral Denfeld and Admiral Carney were very sympathetic to the cause of Commanders Rawlins and Shanahan.

In order not to have that matter attached to another bill, I agreed to introduce a bill at this session. That bill, at the request of the chairman of the Committee on Armed Services, has been assigned to a subcommittee for consideration. I do not think the subcommittee has as yet made its report to the full committee.

I support the statement made by the Senator from North Carolina that the bill under consideration with relation to junior Reserve officers of the Navy and Marine Corps is a meritorious one. It will enable such officers to give up their status as reservists and to become Regular officers, if they wish to make the Navy or the Marine Corps service their career. As I understand, that is possible in the Army and the Air Force at present, but is not possible in the Navy and Marine Corps. The purpose of the bill now being considered is to make it possible in the Navy and the Marine Corps.

So far as the Shanahan and Rawlins cases are concerned, I observe the junior Senator from Missouri [Mr. SYMINGTON] on his feet. He is the chairman of the subcommittee considering that bill. Perhaps he wishes to make a statement.

Mr. SYMINGTON. Mr. President, will the Senator from North Carolina yield?

Mr. ERVIN. I am glad to yield.

Mr. SYMINGTON. I respectfully say to my able colleague from Oregon that a subcommittee composed of the junior Senator from Idaho [Mr. WELKER] and myself have been looking into the matter for some months. We have had hearings and have heard the witnesses whom the principals wanted us to hear. We expect to file a report, the draft of which I have seen, before the end of this week.

Mr. MORSE. Mr. President, I have accomplished my purpose of fixing attention on the Rawlins case, because in these closing days of the session there is always a danger that we may overlook individual injustices while pursuing the routine of proceedings. I appreciate what the Senator from Massachusetts and the Senator from Missouri have told me. Knowing that consideration has been given to the matter, I withdraw my amendment.

Mr. ERVIN. I thank the Senator from Oregon for withdrawing his amendment.

Mr. SYMINGTON. Mr. President, I should like to associate myself with the remarks of the Senator from North Carolina [Mr. ERVIN] on this bill.

The PRESIDING OFFICER. The question is on the engrossment of the committee amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CONVEYANCE OF CERTAIN WAR HOUSING PROJECTS TO THE CITY OF NORFOLK, VA.

The bill (S. 2351) to authorize the conveyance of certain war housing projects to the city of Norfolk, Va., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, the Housing and Home Finance Administrator is authorized to sell and convey at fair market value as determined by him on the basis of an appraisal made by an independent real-estate expert to the city of Norfolk, Va., or to the Norfolk Redevelopment and Housing Authority, or to any agency or corporation established or sponsored in the public interest by such city, all of the right, title, and interest of the United States in and to War Housing Project VA-44075 and War Housing Project VA-44184, or either of them. Any sale pursuant to this authorization shall be on such terms and conditions as the Administrator shall determine, and the amount received for each project shall be reported by the Administrator to the Committee on Banking and Currency of the Senate and the Committee on Banking and Currency of the House of Representatives.

SEC. 2. The authority conferred by this act shall terminate 6 months after the date of its enactment.

SALE OF WELLES VILLAGE WAR-HOUSING PROJECT TO THE HOUSING AUTHORITY OF GLASTONBURY, CONN.

The bill (S. 2513) to authorize the sale of Welles Village war-housing project in Glastonbury, Conn., to the housing authority of the town of Glastonbury, Conn., was announced as next in order.

Mr. MORSE. Mr. President, I wish to make a brief comment on both this bill and the preceding bill. The two bills authorize the sale of properties at their fair market value on the basis of an independent appraisal. I wish to commend the committee for coming forward with a report that will assure the American taxpayer full value for the property.

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

Mr. MORSE. I yield.

Mr. SPARKMAN. I should like to say to the able Senator from Oregon that the Subcommittee on Housing has adopted this as a policy in the disposition of all such projects.

Mr. MORSE. I congratulate the subcommittee. I think the policy is absolutely sound.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with amendments, on page 1, line 7, after the word "him", to insert "on the basis of an appraisal made by an independent real-estate expert selected by him", and on page 2, line 7, after the word "determine", to insert "and the amount received for each project shall be reported by the Administrator to the Banking and Currency Committee of the Senate and the Banking and Currency Committee of the House of Representatives", so as to make the bill read:

Be it enacted, That notwithstanding the provisions of any other law, the Housing and Home Finance Administrator is authorized to sell and convey all right, title, and interest of the United States (including any offsite easements) at fair market value as determined by him on the basis of an appraisal made by an independent real estate expert selected by him, in and to war housing project CONN 6028, known as Welles Village, containing 199 dwelling units on approximately 34½ acres of land in Glastonbury, Conn., to the Housing Authority of the town of Glastonbury, Conn., subject to the approval of the legislative body of the town of Glastonbury, for use in providing moderate rental housing. Any sale pursuant to this section shall be on such terms and conditions as the Administrator shall determine, and the amount received for each project shall be reported by the Administrator to the Banking and Currency Committee of the Senate and the Banking and

Currency Committee of the House of Representatives: *Provided*, That full payment to the United States shall be required within a period of not to exceed 30 years with interest on the unpaid balance at not to exceed 5 percent per annum: *Provided further*, That the provisions of this subsection shall be effective only during the period ending 12 months after the date of approval of this act.

The amendments were agreed to.

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

CONVEYANCE OF CERTAIN PROPERTY TO THE STATE OF LOUISIANA

The bill (H. R. 5512) to provide for the conveyance of certain property under the jurisdiction of the Housing and Home Finance Administration to the State of Louisiana, was announced as next in order.

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

The PRESIDING OFFICER. An explanation of H. R. 5512, Calendar No. 1100, is requested.

Mr. SPARKMAN. Mr. President, the senior Senator from Louisiana [Mr. ELLENDER] is interested in the measure. I should like to ask him to say a word about the bill.

Mr. ELLENDER. Mr. President, a certain number of Federal buildings were erected on property belonging to the Central Louisiana Hospital, which is State property. The bill simply provides for the conveyance of the buildings erected on State land to the State for a total of $300,000, payable in 3 annual installments. As I understand, the real estate is not taken into consideration. It seems there was a contract entered into between the State of Louisiana and the Federal Housing Authority whereby the buildings would be erected.

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

Mr. ELLENDER. I yield.

Mr. MORSE. Am I correct in my understanding that the price of $300,000, which was agreed upon in this deal, is fair and reasonable compensation for the buildings concerned, and is at least equal to 50 percent of the appraised fair market value?

Mr. ELLENDER. I do not think there is any doubt about that.

Mr. MORSE. My understanding is that the bill would return to the taxpayers of the country at least 50 percent of the appraised fair market value of the property. Therefore I have no objection.

Mr. ELLENDER. I may state that I think it is a good bargain, in that the buildings were erected on land which belongs to the State.

Mr. MORSE. As I have studied the bill, I think it is a fair bargain.

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

Mr. MORSE. I yield.

Mr. SPARKMAN. Three hundred thousand dollars was the price agreed upon between the State of Louisiana and the Housing and Home Finance Agency.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with an amendment on page 2, after line 6, to strike out:

SEC. 2. Any allotment available to the State of Louisiana for hospital construction under the provisions of the Hospital Survey and Construction Act, as amended (42 U. S. C., sec. 291, and the following), may be applied by the State of Louisiana to the purchase price established in the first section of this act.

And in line 13, to change the section number from "3" to "2."

The amendments were agreed to.

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.

CONVEYANCE OF THE OLD COLONY PROJECT TO THE BOSTON HOUSING AUTHORITY

The Senate proceeded to consider the bill (H. R. 6980) providing for the conveyance of the Old Colony project to the Boston Housing Authority, which had been reported from the Committee on Banking and Currency with an amendment, on page 2, line 5, after the word "determine", to insert a comma and "and the amount received for each project shall be reported by the Administrator to the Banking and Currency Committee of the Senate and the Banking and Currency Committee of the House of Representatives."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 6043) to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for the maintenance of the Merchant Marine Academy was announced as next in order.

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

DISPOSAL OF CERTAIN FEDERAL PROPERTY IN BOULDER CITY, NEV.—BILL PASSED OVER

The bill (S. 514) to provide for the disposal of certain Federal property in the Boulder City area, to provide assistance in the establishment of a municipality incorporated under the laws of Nevada, and for other purposes, was announced as next in order.

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

Mr. PURTELL. Mr. President, reserving the right to object, and I shall not object, may we have an explanation of the bill?

The PRESIDING OFFICER. An explanation is requested of Calendar No. 1103, S. 514.

Mr. PURTELL. My reason for requesting an explanation is that we did not have the report before us until a very late hour this morning.

Mr. BIBLE. Mr. President, I am very happy to make an explanation of the bill.

As the title of the bill indicates, it is designed to provide for the disposal of certain Federal property in the Boulder City area, in the vicinity of Hoover Dam, on the Colorado River. It also provides for assistance in the establishment of a municipality incorporated under the laws of the State of Nevada.

The pending measure had its origin in a virtual mandate from the Appropriations Committees of the Congress as far back as 1948 that the Federal Government should divest itself of strictly municipal functions, under which deficits were mounting. Up to this year the total deficits on strictly municipal operations since 1941 amount to approximately $1,400,000.

The Secretary of the Interior in 1950 had Dr. Reining, of the University of Southern California, make an objective survey of Boulder City. In the main, his recommendations, modified by the Department, the Bureau of the Budget, and the Committee on Interior and Insular Affairs, from the substance of the bill before the Senate for passage.

Public hearings were held at Boulder City in May of this year, when the local people were given full opportunity to express their opinions. Following those hearings, a special subcommittee, of the parent committee of the Senate, reviewed the entire record and recommended certain amendments to S. 514, which are outlined in report No. 1091, and which I am suggesting as committee amendments to be considered prior to the passage of the bill.

It should be pointed out that the Federal Government has an investment of more than $150 million in Hoover Dam and powerplant, which is the vital source of electric energy for southern California, Arizona, and Nevada. In addition, it is the regional headquarters of the Bureau of Reclamation. The Bureau of Mines has an important installation there, and the National Park Service operates the Lake Mead Recreational Area.

More than 2 million persons, from every State in the Union and many foreign countries, visit Hoover Dam and the Lake Mead Recreational Area annually. While a charge is made for inspection of the dam and for the recreational facilities, none of the proceeds would go to defray muncipal costs that are incident to handling this vast number of visitors, most of whom pass through Boulder City.

Under the provisions of the bill, the Government would recoup its investment of $1½ million in more than 200 homes that are owned by the Government, and which it is now renting to its employees. The Federal Government owns all of the land in the city, on which approximately 800 private homes and commercial buildings have been erected. The land is under long-term leases, with a maximum

term of 53 years. It is proposed that the land be sold at the full appraised value, the value to be determined immediately after the passage of the enabling legislation. All the land not needed for Federal activities would be transferred to the municipality, subject to existing leases. School property constructed by the Government at a cost of approximately $1,700,000 would be transferred to the local school district. A special fund made up of revenues from the disposal of Federal property would be set up.

I may say that over the years the costs have been prorated between the Federal Government and the two allottees who operate Hoover Dam as the operating agency, one being the Department of Water and Power, and the other being the Southern California Edison Company. From this fund, an appropriation of $395,000 would be authorized for deferred maintenance of city facilities and utilities and for providing additional facilities and utilities in the Lake View Addition area. Over the years there has been very little maintenance of the streets and alleys, and this fund is necessary in order to place the city in proper condition for disosal under this measure. From this fund an appropriation of $395,000 would be authorized for deferred maintenance of city facilities and utilities and for providing additional facilities and utilities in the Lake View Addition area.

Up to 19,500 kilowatts of power from Hoover Dam would be made available to the city, for resale in the municipal area.

The Federal Government would deliver to the municipality water which is filtered and potable.

Every 5 years after the act goes into effect, the Secretary of the Interior would be required to investigate the need for continuance of all or part of the water supply, and to make recommendations to the Congress. In all, the bill seeks to reduce the Federal supervision of strictly municipal operations, and to place responsibility on the local residents, of whom there are approximately 4,000. About half of the 4,000 include employees of the Federal Government and their families.

Mr. President, I can make a more detailed explanation of the bill, paragraph by paragraph, if that is desired.

Mr. PURTELL. Mr. President, I thank the distinguished Senator from Nevada for his explanation.

I have no objection to passage of the bill.

Mr. MORSE. Mr. President, reserving the right to object—and I may object, until another calendar call, although I am very much of the opinion that the plan to have the Federal Government dispose of this property has a very desirable objective, nevertheless in this case we are dealing with subject matter which may establish a precedent for the disposal of other Federal municipalities. So I wish to be doubly sure—that is my only purpose in this connection—that the people of the country will get their money's worth from the disposal.

Of course, as my friend, the Senator from Nevada, has pointed out, Boulder Dam attracts a great many visitors to that area each year. I am sure that no one in Nevada or Arizona or California, either, regrets that. Such Federal projects which attract visitors are great sources of revenue for the States which are visited by the tourists.

I should like to have the attention of the Senator from Nevada as I read a brief summary of the bill, as I understand it. This summary is very much skeletonized, but it covers some of the highlights which I believe are involved:

Senate bill 514 would authorize the Secretary of the Interior to dispose of certain Federal property in Boulder City, Nev., by sale.

With respect to dwellings, duplex houses, garages, and personal property thereon, a system of priority of purchase is provided for the benefit of Federal employees.

The bill, as originally drafted, called for payment of the appraised value of the housing to be sold; but as the bill has been amended by the Committee on Interior and Insular Affairs, the price to be paid will be the lower of two figures: first, the appraised value; or, second, the net cost of construction, operation, and maintenance of the Government-owned housing, less the rentals.

The current fair market value is approximately $2 million. The net value, under the formula just mentioned, is $1,414,639, as of May 31, 1953. I obtained these figures from the committee's report.

All land within the municipal limits not needed for Federal purposes would be transferred to the municipality, without cost. The existing lessees would have the option of purchasing their lots from the municipality at the appraised value.

The bill would authorize the United States to transfer, without consideration, all school buildings in the Boulder City municipal area to the appropriate school districts.

I am troubled about two things, which perhaps can be cleared up; or perhaps the bill can go to the foot of the calendar, and in the meantime can be discussed among ourselves; or, better still, perhaps it can go to another call of the calendar, because I understand there will be another calendar call in a day or two.

I am troubled about the interesting formula which results in the transfer of some of the property for less than its fair market value, the property to go to private citizens for private use. I do not know why we should transfer such property for less than its fair market value, when the land is to be for private use.

Mr. ANDERSON. Mr. President, will the Senator from Oregon yield briefly to me?

Mr. MORSE. I yield.

Mr. ANDERSON. In any operation in which a number of Government workers are living, if we do not give them some priority, we may find that someone else—in this case, perhaps someone interested in the fishing at Boulder Dam—will buy the property. In that case, the first thing we know, the persons whose services are essential to the operation of Boulder Dam will be without housing, and the Government will have to construct new housing for them.

So it seemed to us that the persons who live there and who operate the plant should live in these houses, rather than to have them occupied by other persons. That was one of the reasons we had.

Mr. MORSE. I have no objection to giving priority to the Government workers; I think we should do so. But I do not understand why we should give them priority plus the property at less than its fair market value.

Mr. BIBLE. Mr. President, will the Senator from Oregon yield to me at this point?

Mr. MORSE. I yield.

Mr. BIBLE. I should like to try to clear up that point. We had some difficulty in working out the formula. The thought was that under the formula the United States Government would receive each and every cent it had invested in the homes from 1931 to date. Approximately 250 homes remain to be sold under the formula. The majority—approximately 195 of the homes—are occupied today, and have been for many years, by Bureau of Reclamation personnel, all of whom are an integral part of the operation of Boulder Dam. They have paid the rentals from 1931 to 1955.

The theory of the committee which examined this measure very carefully was to make the Government whole as regards the amount of money shown on the books, namely, approximately $1,400,000, to which the Senator from Oregon has referred. The committee felt that was the fair return for the 205 homes which are to be sold under this measure. That is why the formula was arrived at by that method, namely, by providing that the amount paid would be the appraised value or the book value, whichever was the lower. The purpose is to give full weight to two factors: First, by and large, the homes are old ones, and have been occupied for more than 20 years in many cases by the same persons, the average occupancy being approximately 17, 18, 19, or 20 years; and also it was the feeling of the committee that the method proposed is the fair one by means of which to give the tenants an opportunity to purchase the homes at the value shown on the books of the city manager of the Bureau of Reclamation for Boulder City.

Mr. MORSE. Mr. President, I ask unanimous consent that we may proceed for another 5 minutes on this measure.

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

Mr. MORSE. Mr. President, the explanation given by the Senator from Nevada [Mr. BIBLE] raises a point which disturbs me very much. I do not know why we should sell the property to these Government employees for what the United States has in the property. I imagine that across the country there are hundreds of million of dollars' worth of pieces of property, owned by the United States Government, which citizens would like to purchase for what the Government has in those properties.

To me this is a pretty cold business proposition. We have some houses there owned by the Federal Government. They have a fair market value. What

difference does it make that some Government employees have rented the property for 5, 10, 15, or 20 years? Have the rents been reasonable? Have the renters obtained their money's worth? Have we not spent taxpayer's dollars in maintenance?

I see no reason why we should give renters, when they come to buy the property, an offset of the rent they have already paid, when that rent has been fair over the years. This property has a fair market value. To say that these houses are old is only another way of saying that their value is not so high as it would be if they were new. But who paid for the deterioration over the years? The taxpayers of the United States. I hope the Government has been getting enough rent for the houses to make up for the depreciation.

It is proposed to sell this property for private use. It is not for public use. It is proposed to be sold for private housing. Certainly we want to keep these Government employees; but there will be other Government employees. Government employees working on this project will come and go. As I see it, as of this moment, what we are doing is selling Federal property for private purposes for less than its fair market value. I think that is wrong.

The second problem raised by the bill is whether or not we are to obtain any compensation whatever from the school districts for the school property. It is a very pleasant thing for a school district to have an entire school system handed to it for nothing.

I want the Senator from Nevada and the Senator from Alabama to understand that I am not adamant on this question. I am merely not satisfied that I understand the situation sufficiently to justify my voting for the bill today. I am very much concerned about transferring this property to Government employees for less than its fair market value, when it is to be put to private use. Therefore I object. I hope I can reach some agreement with Senators who are interested between now and the next call of the calendar.

The PRESIDING OFFICER. Objection is heard; and the bill will be passed over.

CONSERVATION, DEVELOPMENT, AND UTILIZATION OF WATER RESOURCES OF ALASKA—CONFERENCE REPORT

Mr. LONG. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3990) to authorize the Secretary of the Interior to investigate and report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3990) to authorize the Secretary of the Interior to investigate and report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same.

HENRY M. JACKSON,
RUSSELL B. LONG,
ALAN BIBLE,
THOMAS H. KUCHEL,
BARRY GOLDWATER,
Managers on the Part of the Senate.

CLAIR ENGLE,
WAYNE N. ASPINALL,
LEO W. O'BRIEN,
A. L. MILLER,
JOHN P. SAYLOR,
Managers on the Part of the House.

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

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

Mr. KNOWLAND. Mr. President, is this the conference report which the Senator from Louisiana discussed with the minority leader and the acting majority leader a while ago?

Mr. LONG. It is.

Mr. KNOWLAND. As I understand, it involves merely the acceptance by the House of the Senate amendment.

Mr. LONG. The Senator is correct. The bill is in the form in which it passed the Senate by unanimous consent. The House receded from its disagreement to the amendment of the Senate, and agreed to the Senate amendment. From the Senate point of view, there is involved only the matter of the House concurring in the amendment of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

BILL PASSED OVER

The PRESIDING OFFICER. The next bill on the calendar will be stated.

The bill (S. 56) authorizing construction of certain public works on the Mississippi River for the protection of St. Louis, Mo., was announced as next in order.

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

Mr. PURTELL. Mr. President, reserving the right to object, I wish to make it clear that I am not expressing either approval or disapproval of the proposed legislation. However, I feel that because $123 million is involved, this is a bill which ought not to be acted upon on the call of the calendar. Therefor, for that reason only, I object.

Mr. SYMINGTON. Mr. President, will the Senator withhold his objection for a moment?

Mr. PURTELL. Certainly.

Mr. SYMINGTON. I should like to ask the Senator from Connecticut exactly what his objection to the bill is. It has been approved by the subcommittee and the full committee, and it has been considered very carefully.

Mr. PURTELL. To repeat, I am neither expressing approval nor disapproval of the proposed legislation, but inasmuch as it involves an expenditure of approximately $123 million, I feel that it is not a proper subject for consideration on the call of the calendar. That is the only reason for my objection at this time. The bill can be taken up on motion. At that time I shall offer no objection.

Mr. SYMINGTON. I should like to ask my able friend from Connecticut how he suggests the bill be handled in the future?

Mr. PURTELL. I object only because I feel that the bill, involving an expenditure of $123 million, is not proper Consent Calendar business. I suggest to the Senator that the bill be taken up on motion later, at which time the Senator from Connecticut will offer no objection.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF RICE MARKETING QUOTA PROVISIONS OF THE AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

The bill (S. 2573) to amend the rice marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, was announced as next in order.

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

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

Mr. ELLENDER. Mr. President, the pending bill would prevent rice producers from receiving more than one allotment on the basis of the same production and allotment history.

Rice allotments are apportioned on the basis of production and allotment history. In some States they are apportioned on the basis of the history of the producer, and in other States on the basis of the history of the farm. As now worded, the law could be construed to require such history to be counted in the State in which it accrued, and also in any other State in which allotments are made on a producer history basis. This bill would make the law incapable of such a construction and prevent producer history from counting toward more than one allotment.

Mr. President, I ask unanimous consent that an excerpt from the committee report be printed in the RECORD at this point.

There being no objection, the excerpt from the report (No. 1093) was ordered to be printed in the RECORD, as follows:

This bill would prevent rice production or allotment history from being used in computing allotments in any State other than the State in which it was earned. In some States rice acreage allotments are based on past production and past allotments of the producers (rather than the farms). In those States there is some question as to whether producers operating in more than one State should receive credit for past production and allotments in other States, thereby receiving double credit for such history. The bill would clarify this situation, and prevent this

manifestly unfair result by crediting such history only toward allotments in the State where it was earned.

DEPARTMENT OF AGRICULTURE,
Washington, D. C., July 22, 1955.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry,
United States Senate.

DEAR SENATOR ELLENDER: This is in reply to your request for a report on S. 2573 to amend the rice marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

This bill would amend section 353 (b) of the act to provide that in States where farm rice acreage allotments are established on a producer basis only the past plantings of rice by the producer within the State and acreage allotments previously established in the State for the producers would be used in determining such allotments.

We favor the enactment of this bill.

The wording of the present provisions of law permits an interpretation that in any State where farm rice acreage allotments are established on a producer basis past plantings of rice by the producer and acreage allotments previously established for the producer in any State must be considered in determining such allotments. This means for example, that a farmer who operates a farm in a State where rice allotments are determined on a farm basis and who has produced rice in such State during the base period could obtain a farm in another State in which rice allotments are established on a producer basis and secure an allotment for such farm by virtue of being permitted under the law, as now worded, to use the same rice history in both States.

S. 2573 would clarify the language of the law so as not to permit the duplicate use of individual producer's rice history in determination of farm allotments and thus contribute to a more effective and equitable administration of the production adjustment program for rice.

It is anticipated there would be no additional expense, program or administrative-wise, in the passage of this bill.

Due to your urgent request there was insufficient time to obtain Bureau of Budget clearance.

Sincerely yours,

TRUE D. MORSE,
Under Secretary.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 353 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting in the first sentence thereof the words "in the State" immediately following the words "on the basis of past production of rice" and immediately following the words "taking into consideration the acreage allotments previously established."

SUPPLEMENTAL APPROPRIATIONS, 1956

The bill (H. R. 7278) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes, was announced as next in order.

Mr. BIBLE. Over. The bill is hardly calendar material.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF SECTION 1 OF THE ACT OF MARCH 12, 1914

Mr. MORSE. Mr. President, I ask unanimous consent that the Senate return to the consideration of Calendar No. 712, H. R. 3338, in connection with which I had filed objections on the last call of the calendar and again today, so that I might work out with members of the committee some appropriate amendments.

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

The LEGISLATIVE CLERK. A bill (H. R. 3338) to amend section 1 of the act of March 12, 1941.

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

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

Mr. MORSE. Mr. President, I have worked out an amendment which I am advised is perfectly satisfactory to the committee. I understand from a spokesman for the committee that the committee is ready to accept the amendment. I send the amendment to the desk and ask to have it stated.

The PRESIDING OFFICER. The Secretary will state the amendment offered by the Senator from Oregon.

The CHIEF CLERK. It is proposed to strike out lines 5 and 6 and insert in lieu thereof the following: "is amended by striking out 'but no lease shall be for a longer period than 20 years', and inserting in lieu thereof 'but no lease of such railroad or railroads shall be for a longer period than 20 years and no other lease authorized in this act shall be for a longer period than 55 years'."

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

Mr. MORSE. I yield.

Mr. AIKEN. May I inquire what the bill would do? What would be leased?

Mr. MORSE. The bill pertains to leasing properties along railroads for the development of business interests in the area affected. My only objection was to including in the bill leases of a railroad itself for the extended period of time provided.

Mr. AIKEN. Is the property under the jurisdiction of the Interior Department?

Mr. MORSE. It is.

Mr. AIKEN. It does not affect any property under the jurisdiction of the Forest Service, for example?

Mr. MORSE. It does not. It affects land under the jurisdiction of the Department of the Interior.

I should like to read a telegram, which is typical of other telegrams I have received. It explains the situation I objected to on the last call of the calendar. The committee considered my amendment in the light of such representations. I read the typical telegram:

ANCHORAGE, ALASKA, *July 16, 1955.*

Hon. WAYNE MORSE,
United States Senate Office Building,
Washington, D. C.:

Urgently request you reconsider objections to H. R. 3338 expressed on floor, Monday past. The feature of this bill enabling extension of existing leases to enable small-business man to obtain financing to further the economy and industry of the Alaska Railroad railbelt is vitally important to several hundred pioneer Alaska businessmen. We are disinterested in any legislation pertaining to leasing the railroad itself. Have asked Senator JACKSON and Delegate BARTLETT to contact you on this matter as they have been instrumental in furthering this legislation we need so urgently. Would suggest amending language to eliminate railroad itself. Airmail letter follows. Urgently plead that you give full consideration to our needs this session.

DENALI CONSTRUCTION CO.,
E. H. ELWIN.

We have received the letter referred to in the telegram, and all the correspondence on the subject has been filed with the committee. All that the bill would do would be to authorize the Department of the Interior to lease the land for a period of time necessary in order to get the leases financed, and that requires the longer lease.

Mr. AIKEN. I assume the Senator has gone into the situation and is satisfied that everything is all right? I asked my question merely because the title of the bill referred to a previous act by number.

Mr. MORSE. I am glad the Senator asked the question. It helps to clarify the record.

I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, the supporting evidence which was considered by me in offering the amendment.

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

ANCHORAGE, ALASKA, *July 16, 1955.*

Senator WAYNE MORSE,
United States Senate Building,
Washington, D. C.:

Request your support of land leasing provisions of House bill 3338. We are in total sympathy with your remarks in CONGRESSIONAL RECORD of July 11 concerning this bill. However, failure to enact land leasing provisions will stymie much needed improvement and construction by present leaseholders. Thanking you for your utmost consideration of this matter.

Sincerely yours,

R. E. MCFARLAND,
Anchorage Building Trades Council.

ANCHORAGE CHAMBER OF COMMERCE,
Anchorage, Alaska, July 15, 1955.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: The Anchorage Chamber of Commerce would like to ask your aid and support for passage of H. R. 3338 allowing leasing of Alaska Railroad property for 50 years in the terminal reserve. Today this growing community is seriously short of industrial land and most all of the desirable sites are within the present railroad reserve for new development. As it now stands the present leasing arrangements will not allow sufficient time to permit our banks to make loans for the development of new facilities in this reserve. We believe that you can understand that this is a major handicap to our entire development picture.

We understand that you raised certain questions as to the effect that this measure would have on leasing the entire Alaska Railroad for 50 years. Actually when local interests first approached the Department of the Interior the intent was and still is to enact this legislation to apply to various industrial and commercial tracts of land now held by the Alaska Railroad.

The Anchorage chamber sincerly hopes that this problem can be resolved at the earliest possible date and that passage of H. R. 3338 will be accomplished in this session. We wish to assure you that favorable consideration of this measure will be of the greatest benefit to the development of this entire rail belt area.

Respectfully yours,
ANCHORAGE CHAMBER OF COMMERCE,
GEORGE D. JACKSON, *President.*

DENALI CONSTRUCTION CO., INC.,
Anchorage, Alaska, July 15, 1955.

Hon. WAYNE MORSE,
United States Office Building,
Washington, D. C.

DEAR SENATOR MORSE: In confirmation of my telegram this date regarding H. R. 3338, I would like to take this opportunity to provide a résumé of the circumstances and situation causing our interest and concern in this legislation.

Some forty-odd years ago, when the construction of the Alaska Railroad was authorized, the Alaska Engineering Commission, and/or succeeding authorities, withdrew and reserved to the future railroad, a considerable amount, in fact practically everything worthwhile, of lands adjacent to the terminal facilities for future development of industrial and commercial facilities which would in turn, develop traffic and revenue for the railroad. A very small portion of this reserve was developed, or even platted, until 1950 and 1951, at which the institution of large Federal and military programs developed the need for warehouse and commercial buildings. In 1951, the majority of this land was leased by private business for the future construction of spurs, storage yards, warehouses, and commercial facilities. These leases, under the authority of section 1 of the act of March 12, 1914, were for the maximum period of 20 years. During the existence of the RFC, there was an opportunity for limited financing of buildings and improvements, however the economic demand for such development was small and little improvement resulted. Currently, with the local economy expanding, and the opportunity for increasing wholesale and retail merchandising, the necessary and desired improvement of these leased lands is stalemated to a large degree, due to the fact that national banking laws prevent the loan of funds for improvements on leased lands unless the lease shall extend for a period in excess of 50 years. Thus the several hundred pioneer businessmen in the railbelt area, most of them in the "small-business man" category, are currently caught in the discrepancy between two Federal regulations, i. e., the lease limitation of 20 years imposed by the Interior Department and the borrowing restrictions imposed on national banks, to which category all of our railbelt banks belong. It was in the interest of eliminating this state of conditions that brought about the sponsorship and interest in the enabling legislaion sought via H. R. 3338. The fact that this legislation as written would enable the leasing of the railroad itself is incidental to our purpose and of no interest as such, therefore it is hoped that amendatory language will fulfill your objections and allow the passage of this legislation for the primary and fundamental purpose.

We, as a small Alaskan corporation, are several-fold interested in this enabling legislation. As a leaseholder in the Anchorage Terminal Reserve since 1951, have invested approximately $200,000 of our own funds in physical improvements, which needless to say, has depleted our working capital. We need additional physical improvements to further our business, but are stymied in so doing, until such time as profits after taxes will permit. The current investment in fixed plant is worthless as collateral under the present regulations.

Secondly, as a local construction firm, we are familiar with numerous new developments that would go forward on these leases were the sponsors able to finance them to any degree. Needless to say, this additional construction would bring further activity to our industry, additional employment and payrolls to our community, and place sound and durable improvements upon our local tax rolls, all of which would assist in our effort to develop a more stable economy in our communities and in the Territory. All we are asking for in this instance, as I see it, is the removal of a restriction which prevents us from helping ourselves make something out of this heretofore wilderness.

Thus, Senator, without any difference to your opinions as expressed on the floor last Monday, I have attempted to explain our concern and interest in the subject legislation. We know from experience that we need this enabling legislation, and currently feel that we have been "caught in the bite of the line." We sincerely hope that you will understand our position and will press for amendatory language so that this legislation may pass this session and thus plans for improvements and new construction will not need go by the boards for another year.

Thank you.

Respectfully yours,
DENALI CONSTRUCTION CO., INC.,
E. H. ELWIN, *President.*

THE FIRST NATIONAL BANK OF ANCHORAGE,
Anchorage, Alaska, July 15, 1955.

The Honorable WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: Today, I received a page from the CONGRESSIONAL RECORD of Monday, July 11, in regard to H. R. 3338, and I am quite concerned to see that you have opposed this bill.

I feel that this is one of the most important pieces of legislation for Alaska to be considered by the current Congress. Those of us who are interested in the legislation never contemplated the leasing of the railroad proper, and it would seem to me that if that is a concern, that a simple amendment authorizing only the leasing of commercial real estate would certainly effect the purpose.

From my conversation with you when you visited us in Alaska several years ago, I know that you are deeply interested in the welfare of the Territory and will do all that you can for its benefit, and I do wish to assure you of my solid endorsement of this bill as one that is necessary for the economic development of the railbelt.

Yours respectfully,
D. H. CUDDY,
President.

THE CITY OF ANCHORAGE, ALASKA,
July 15, 1955.

Senator WAYNE MORSE,
Senate Office Building, Washington, D. C.

DEAR SENATOR MORSE: The Anchorage City Council recognizes the desirability of the Congress to permit the Alaska Railroad to lease land for a period of 55 years, as has been proposed in H. R. 3338. They have endorsed this bill through adoption of the city council's Resolution 815, of which a copy is enclosed for your information.

We have read in the July 11 issue of the CONGRESSIONAL RECORD of your comments in regard to H. R. 3338. The city council does not hold any differences of opinion with reference to leasing the entire railroad, but we are hopeful that you can propose some amendment whereby properties for industry and warehouse sites can be made available on a lease basis for a period of 55 years.

As you know, the Anchorage economy is built primarily around the payrolls of the military and other governmental agencies who, because of national necessity, must have headquarters in this area. The large percent that this type of payroll contributes to the Anchorage economy presents an unbalance to the local city government taxation structure. It is, therefore, imperative that the city council, chamber of commerce, and, we believe, the Federal Government do everything possible to encourage the development of industry, wholesaling, and general private-business enterprise.

The Federal Government's requirement to perform a national service through its Military Establishments and through its efforts to develop the Territory have withdrawn either for Army needs, Alaska Railroad needs, CAA requirements, or Native Service requirements, land that would have normally been made available by the Bureau of Land Management for private development, which, in turn, would contribute materially toward building a balanced economy. Since the Alaska Railroad has the most accessible and desirable sites for warehousing, storage yards, and industrial areas, private enterprise must of necessity depend upon the railroad as a means of leasing ground for their industrial developments. Testimony has been presented showing the limitations of borrowing funds from national banks when the limitation on leased land is 20 years and the Federal regulations require 50 years. We are, therefore, hopeful that an amendment may be adopted to overcome your stated objections to H. R. 3338 and yet permit leasing of property for 55 years, so that private enterprise may have an opportunity to proceed with private development of the Anchorage area and the Territory of Alaska.

Unfortunately, we have on one hand the Federal Government spending vast sums of money developing the economy of the Territory by providing Alaska Railroad facilities, yet at the same time present regulations stymie private development by prohibiting the railroad from leasing land so that private enterprise may borrow funds from national banks that are prohibited from lending funds because of Federal regulations.

We urge you to support the leasing of land by the Alaska Railroad for 55 years and that you do all that you possibly can to expedite passage of such legislation so that private development may proceed on a normal basis. I might also add that erasing these restrictions will also mean more revenue to the railroad because it is quite likely that most of the industrial land that they have now available will be used in the near future. As industry develops, the local tax base improves and again self-help at the local governmental level becomes more possible.

Very truly yours,
GEORGE C. SHANNON,
City Manager.

Resolution 815

Whereas House bill 3338 is presently before the Congress of the United States; and

Whereas said bill will enable the Alaska Railroad to enter into leases for land in the terminal reserve for a maximum period of 55 years; and

Whereas the presently existing law provides for a maximum period of only 20 years; and

Whereas the proposed legislation would remove the barrier to financing construction of improvements on leaseholds in said Alaska Railroad terminal reserve; and

Whereas a substantial portion of said reserve is within the city limits of the city of Anchorage: Now, therefore, be it

Resolved, That the city council finds that said legislation is in the public interest and endorses the enactment of the same.

Publication of this resolution shall be made by posting a copy hereof on the city hall bulletin board for a period of 10 days following the passage hereof.

Passed and approved by the City Council of the City of Anchorage, Alaska, this 29th day of March 1955.

A. L. ENGEBRETH,
Acting Mayor, City of Anchorage, Alaska.

Attest:

B. W. BOEKE,
City Clerk.

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

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read the third time.

The bill (H. R. 3338) was read the third time, and passed.

AUTHORIZATION FOR STANDING COMMITTEES AND SUBCOMMITTEES TO MEET DURING THE SESSION OF THE SENATE, AND TO FILE REPORTS DURING RECESS OR ADJOURNMENT

Mr. BIBLE. Mr. President, I ask unanimous consent that all standing committees and subcommittees be permitted to meet during the session of the Senate today, and that, during the adjournment or recess following today's session, the several standing committees be permitted to report bills and to file reports.

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

USURPATION BY EXECUTIVE BRANCH OF LEGISLATIVE POWER

Mr. SPARKMAN. Mr. President, one of the most disturbing developments during the many years that I have served in Congress has taken place in the past 30 months. I have reference to the growing practice of the executive branch of the Government to usurp the power of the legislative branch of the Government through perversion of the regulatory agencies.

These agencies were set up by Congress, most of them with bipartisan boards, to be independent in fact as well as in name, and to serve only the public interest.

Not only has the spirit of congressional intent been violated by the executive branch, but it has almost gotten to the point that a candidate for appointment on the board of one of these agencies cannot get the appointment unless he is cleared by the big boys of the industry that the agency is supposed to regulate.

Moreover, if the appointment to a vacancy on the board is to be filled by a Democrat to carry out the congressional intent that the board be bipartisan, the administration usually requires that he be an Ike-Democrat. Unless a Democrat, already a member of one of these boards, falls in line with the thinking of the President's palace guard, he may find that his services are no longer desired when reappointment comes up. Outstanding examples of this fact are Commissioner Mead of the Federal Trade Commission, Commissioner Hennock of the Federal Communications Commission, and Commissioner Rowen of the Securities and Exchange Commission.

This tampering of the executive branch of the Government with the regulatory agencies intended by Congress to be independent, I repeat, Mr. President, is a dangerous development.

The most recent and shocking example of the encroachment of the executive branch on the legislative branch of Government relates to the office of the President of the United States, specifically Presidential Assistant Sherman Adams, tampering with the Securities and Exchange Commission regarding hearings on the Dixon-Yates deal.

A very good discussion of this interference by the office of the President occurred in an editorial in the July 14 issue of the St. Louis Post-Dispatch. I ask unanimous consent that this editorial be printed in the RECORD at this point.

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

TAMPERING WITH SEC

The revelation that Presidential Assistant Sherman Adams persuaded the Securities and Exchange Commission to suspend its hearings on the Dixon-Yates power financing for 3 days brings up a question of the utmost seriousness: How well is the independence of the independent agencies of the Government being respected?

This question carries special gravity in the case of independent agencies which, like SEC, are quasi-judicial. There are many other independent agencies whose functions are somewhat similar to those of a court of law. The Interstate Commerce Commission, which regulates the railroads, is one of the oldest. The Atomic Energy Commission is one of the newest. In between are the Federal Communications Commission, which regulates radio and television; the Civil Aeronautics Board; the Civil Service Commission; the Federal Power Commission; the Federal Trade Commission; the Tariff Commission.

There are sound reasons why these agencies of Government were created by Congress to be independent of the executive department. Congress wanted them to be free of partisan politics, above political manipulation, capable of making decisions with justice, on the basis of merit alone. Otherwise they could become instruments of party tyranny, to the detriment of great sections of our economy which many of them regulate.

The 3-day recess of the SEC last month, in the midst of the Dixon-Yates hearings, was so unusual that the Commission's Secretary, Orval L. Dubois, said it was "virtually unprecedented." The extraordinary action was unexplained. The hearing examiner, James G. Ewell, said the only reason the Commission had given him for the recess was that certain procedural questions had to be ruled on.

Now, a month later, and only upon the most persistent investigation by a committee of Congress, the facts come out. SEC Chairman Armstrong first refused throughout a day's interrogation to say whether there had been any conversation with the White House. He persisted despite warning by Chairman KEFAUVER of the antimonopoly subcommittee that he might be held liable for contempt of the Senate. Only after a ruling by Attorney General Brownell did the SEC Chairman disclose this damaging fact.

Senator KEFAUVER charges the delay was manipulated so that the two officers of the First Boston Corp. could not continue their testimony to SEC until Congress had voted on funds for the Dixon-Yates transmission line. Mr. Armstrong gives color to Senator KEFAUVER's charge by refusing to say whether the pending legislation was mentioned in Mr. Adam's telephone call requesting the recess.

If the SEC could be manipulated from within the executive department to influence this piece of legislation, why could it not be manipulated to influence other pieces of legislation? Why could it not be manipulated to influence the price of securities to rise or fall as vital information was withheld or disclosed?

Why could not the other quasi-judicial independent agencies be similarly manipulated so that they no longer served the ends of fairness but became the agencies of group pressures and political and speculative maneuvers?

* * * * *

The independence of the independent agencies, the complete judicial fairness of the quasi-judicial commissions must be preserved inviolate. That is why a President's arbitrary and unprecedented directive to two independent agencies—AEC and TVA—to accept the Dixon-Yates contract, against the best judgment of the directors of both agencies, was so questionable.

That is why this newer development, which had been cloaked in resolute official secrecy like so many other aspects of the Dixon-Yates deal, is so disturbing.

Is Executive interference with independent and quasi-judicial agencies becoming a set pattern of administration policy at Washington?

If so, the President needs to know thoroughly the danger of the course upon which he has embarked, and Congress cannot take too prompt or too drastic steps to protect these agencies in the independence with which it invested them at their creation.

Mr. LEHMAN. Mr. President, I was very much interested in the remarks of the Senator from Alabama [Mr. SPARKMAN] regarding the manner in which certain appointments are being and have been made by the President. I have sat in committees which have considered a number of these nominations. I have opposed, both in committee and on the floor of the Senate, many of the nominations made by the President, which I deemed to be unwise and improper.

I feel that, among other things, the independent position and role of our quasi-judicial, bipartisan commissions and agencies are being and have been subverted. Seriously and tragically the independence of these bodies is being swept away. Men are being selected and appointed to these commissions and agencies representing exclusively the industries and enterprises which are to be regulated. Men are appointed with complete disregard for the bipartisan character of these commissions—men, supposedly Democrats, who represent the viewpoint of the Republican National Committee.

I hope that in the next week or two, if Congress remains in session that long, much will be said on this subject. I, for one, intend to speak on the subject at some length. I feel that this subject must be brought to the attention of the Congress and the American people.

There is no bipartisanship on these commissions which are required by law to be bipartisan. The minority is not represented on these commissions. There is virtually no representation of the public interest. No one is being appointed to the commissions who did not vote for President Eisenhower at the last election. It is something we

should be concerned about, and against which a determined fight should be made. In my opinion, we are completely subverting the nature of the bipartisan, quasi-judicial commissions. They are no longer either quasi-judicial or bipartisan.

Mr. KNOWLAND. Mr. President, at a later date I shall have more extensive remarks to make on this subject matter. In the meantime, I wish to say that to my own personal knowledge, at least with respect to a considerable number of appointments that have been made, consultation was had with the Democratic leadership in Congress. Perhaps there has not been as much as there should have been. However, again speaking from my own personal knowledge, I say it is many times the consultation that was ever had under the prior administration. I do not believe there was one instance—although I did not occupy this chair during the whole of the last administration, and I speak from information given to me, which I believe to be reliable—when such consultation was had with the Republican leadership in either the House or the Senate.

AMENDMENT OF INTERNATIONAL CLAIMS SETTLEMENT ACT OF 1949, AS AMENDED

Mr. PURTELL. Mr. President, I should like to inquire whether the call of the calendar has been concluded.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). There is a bill which went to the foot of the calendar, which will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 6382) to amend the International Claims Settlement Act of 1949, as amended, and for other purposes.

Mr. PURTELL. Mr. President, I ask that the bill be passed over.

Mr. KNOWLAND. Mr. President, that is the unfinished business.

The PRESIDING OFFICER. The bill will be passed over.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills of the Senate:

S. 1741. An act to exempt from taxation certain property of the Jewish War Veterans, U. S. A. National Memorial, Inc., in the District of Columbia;

S. 2176. An act to repeal the requirement that public utilities engaged in the manufacture and sale of electricity in the District of Columbia must submit annual reports to Congress; and

S. 2177. An act to repeal the prohibition against the declaration of stock dividends by public utilities operating in the District of Columbia.

The message also announced that the House had insisted upon its amendment to the bill (S. 34) to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ENGLE, Mr. HALEY, Mr. UDALL, Mr. BERRY, and Mr. RHODES of Arizona were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4778) to provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department and mail clerks of the Armed Forces, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MURRAY of Tennessee, Mr. MORRISON, and Mr. REES of Kansas were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 7224) making appropriations for mutual security for the fiscal year ending June 30, 1956, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PASSMAN, Mr. GARY, Mr. ROONEY, Mr. CANNON, Mr. FERNANDEZ, Mr. LANHAM, Mr. NATCHER, Mr. DENTON, Mr. TABER, Mr. WIGGLESWORTH, Mr. FENTON, Mr. FORD, and Mr. HAND were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 2972. An act to require the recordation of scrip, lieu selection, and similar rights; and

H. R. 3786. An act to authorize the incorporation of Army and Navy Legion of Valor of United States of America.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 44) to erect on the Capitol Grounds a memorial bell tower in memory of Robert A. Taft.

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 Vice President:

S. 741. An act to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 5 years;

S. 1177. An act for the relief of desert land entrymen whose entries are dependent upon percolating waters for reclamation;

S. 1855. An act to amend the Federal Airport Act, as amended.

H. R. 2866. An act to declare a certain portion of the waterway (a section of the Acushnet River) in the city of New Bedford and the towns of Fairhaven and Acushnet, Mass., a nonnavigable stream;

H. R. 3281. An act for the relief of Herbert Roscoe Martin;

H. R. 3359. An act for the relief of Raymond George Palmer;

H. R. 4001. An act to provide for the management and disposition of certain public domain lands in the State of Oklahoma; and

H. R. 4362. An act to amend the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes," approved September 3, 1954.

AMENDMENT OF INTERNATIONAL CLAIMS SETTLEMENT ACT OF 1949

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 6382) to amend the International Claims Settlement Act of 1949, as amended, 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 further proceedings under the quorum call be dispensed with.

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

SUBCOMMITTEE ON WORLD DISARMAMENT

Mr. BIBLE. 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. 1066, Senate Resolution 93.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 93) appointing a subcommittee to work toward the goal of world disarmament.

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

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Foreign Relations with amendments, and subsequently reported from the Committee on Rules and Administration with additional amendments.

Mr. KNOWLAND. Mr. President, I have an amendment which I should like to suggest on page 2, line 8, to strike out the words beginning with "but not members of the Committee on Foreign Relations." I do not wish to strike the entire committee amendment, but only that part of it.

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that there are a number of committee amendments.

Mr. KNOWLAND. I merely wished to be sure that I should not be foreclosed by the parliamentary situation from offering that precise amendment.

The PRESIDING OFFICER. The clerk will state the amendments reported by the Committee on Foreign Relations.

The first amendment was, on page 2, line 3, after the word "of", to strike out "eight" and insert "six."

The amendment was agreed to.

The next amendment was, in line 5, after the word "two" to strike out "other."

The amendment was agreed to.

The next amendment was, in line 5, page 2, after the word "Senators", to

insert "members of the Committee on Armed Services and two Senators, members of the Joint Committee on Atomic Energy, chosen equally from both parties but."

Mr. KNOWLAND. Mr. President, I move that the word "but" in the committee amendment and the words which follow it, namely "not members of the Committee on Foreign Relations", be stricken.

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

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now recurs on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The next amendment of the Committee on Foreign Relations will be stated.

The next amendment was, on page 2, line 9, after the word "Relations", to strike out "and not of the same political party,"; and in line 13, after the word "destruction", to insert "The chairman of the Foreign Relations Committee shall designate the chairman of the subcommittee."

The amendment was agreed to.

The amendments of the Committee on Rules and Administration were:

On page 2, at the beginning of line 4, to insert "equally"; in line 5, after the word "with", to strike out "two" and insert "four"; in line 9, after the word "Relations", to insert "to be"; on page 3, at the beginning of line 17, to strike out "armements" and insert "armaments"; in line 20, after the word "than", to strike out "March" and insert "January"; in line 21, after the word "the" where it appears the first time, to insert "provisional"; in line 22, after the word "may", to insert "by that time"; on page 4, at the beginning of line 6, to strike out "March" and insert "January"; and in line 9, after the word "exceed", to strike out "$50,000" and insert "$25,000", so as to make the resolution read:

Resolved, That a subcommittee of the Committee on Foreign Relations (hereinafter referred to as the Committee), to consist of six members chosen equally from both parties by the chairman of the Foreign Relations Committee (in conjunction with four Senators, members of the Committee on Armed Services and two Senators, members of the Joint Committee on Atomic Energy, chosen equally from both parties but not members of the Committee on Foreign Relations, to be designated by the President of the Senate), is hereby authorized and directed to make a full and complete study of proposals looking toward disarmament and the control of weapons of mass destruction. The chairman of the Foreign Relations Committee shall designate the chairman of the subcommittee.

SEC. 2. The said Committee shall, without limiting the scope of the study hereby authorized, direct its attention to the following matters—

1. Efforts made by the United Nations in seeking the control and reduction of military forces and armaments of all types;

2. Disarmament proposals developed by the United States and other governments as well as by private groups and individuals;

3. Methods by which the attitudes of the American people and their Government on the subject of disarmament and world peace may be communicated abroad;

4. The relationship of armaments to the state of the world economy;

5. The relationship of underlying international tension to the problems of disarmament;

6. The dangers implicit in unilateral reduction of armaments; and

7. Methods of assuring that plans for reduction of armaments shall not endanger the security of the United States.

SEC. 3. The Committee on Foreign Relations shall transmit to the Senate not later than January 31, 1956, the provisional results of the study herein authorized together with such recommendations as may by that time be found desirable.

SEC. 4. In the conduct of this study, full use shall be made of studies, reports, and plans prepared by executive agencies concerned with this problem and such agencies are requested to give the committee the assistance it may require.

SEC. 5. For the purpose of this resolution, the committee is authorized to employ on a temporary basis through January 31, 1956, such technical, clerical, or other assistants, experts, and consultants as it deems desirable. The expenses of the committee under this resolution, which shall not exceed $25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the Committee on Foreign Relations.

The amendments were agreed to.

The resolution, as amended, was agreed to.

The preamble was agreed to.

AID TO AGRICULTURE RENDERED BY THE PORT OF BALTIMORE

Mr. BUTLER. Mr. President, in the July issue of the Maryland Farm News, a monthly publication of the Maryland Farm Bureau, there appears a splendid article entitled "Baltimore: The Port That Helped Agriculture."

Believing it essential that the merchant-marine interests of the Nation and our farmers be ever aware of their brotherhood of interests, I ask unanimous consent that this article be reprinted in the RECORD at this point in my remarks.

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

BALTIMORE: PORT THAT HELPS AGRICULTURE—MARYLAND'S PORT FOREMOST FOREIGN EXPORT GRAIN PORT IN UNITED STATES

The future of American agriculture is largely dependent upon the recapturing and expansion of world trade. That has been one of the major themes of Farm Bureau thinking in recent years.

But few of us realize that in our own front yard lies the second largest ocean port in foreign tonnage volume in the Nation. And through the harbor formed by the junction of the Patapsco and Chesapeake Bay passes the great bulk of grain for overseas shipment.

Even fewer may know that nearly 5,000 ships from every port in the world pass in and out of Baltimore each year linking Maryland and the Nation to Europe, Africa, Asia and Latin America.

It all began at Whetstone Point (now Fort McHenry) on April 19, 1706, when the Maryland General Assembly designated the outpost that became Baltimore as an official customs port of entry.

That date may have even greater significance in 1956 if and when the legislature and Governor McKeldin get around to appointing a long-needed port authority for the metropolitan area that surrounds the harbor. It will mark the 25th anniversary of the founding of a city that became great because it possessed a great port.

What does the port of Baltimore mean to Maryland?

One out of every six pay envelopes in the city results from port activity. Fifty cents of every dollar circulated in Baltimore is attributable to port-linked industry. It is estimated that $300 million a year might fairly approximate the value of the port to the city, State, and Nation.

Baltimore's prosperity is in large measure due to its stable labor situation along the waterfront.

The 5,000 regularly-employed longshoremen, who at times of peak cargo handlings reach a total of 8,500, comprise the most peaceful labor force among major United States ports. This is due, in large measure, to the traditions of labor peace established by the late Negro longshore boss, Jefferson Davis. Negroes account for two-thirds of the longshoremen in Baltimore, the highest percentage of Negroes working any ocean port in the country.

Davis long ago refused to be led into the camp of racket-dominated union leaders who control the piers of Boston, New York, Philadelphia, and San Francisco, and it was this policy that prevailed through Davis' lieutenants shortly after his death when in 1954 the New York dock strike shifted so much business during March of that year to Baltimore.

Another reason for that prosperity is geography. Baltimore is farther inland than many Atlantic coast ports and a lot closer to the Ohio Valley and the Midwest than any. With long-established rail facilities provided by the Baltimore & Ohio, Pennsylvania, and Western Maryland Railroads, plus the coal-loading facilities of the little-known Canton Railroad, Baltimore benefits from freight-rate competition with New York and Boston.

It is also a port with two exits to the ocean. One is, of course, down Chesapeake Bay to Hampton Roads. The other runs through the C. & D. Canal at the uppermost part of the bay through Cecil County to the Delaware River.

As far as agriculture is concerned, grain is the big story in Maryland's port.

With excellent grain elevators now storing 12 million bushels and soon to be capable of storing 13⅓ million, with a long-range potential of 15 million bushels, Baltimore shipping handled 30,854,453 bushels of primarily wheat and corn in the first 5 months of 1955. This is 5 million more bushels than were shipped through Baltimore in the first 5 months of 1954. And it is despite the equalization of freight rates on grain to all Atlantic ports from Portland, Maine, to Hampton Roads, Va.

One reason given for Baltimore's importance in the grain business is the ability of the "mixers." "Mixers" are the men who blend the various grades of grain for inspection before overseas shipment, and Baltimore is credited with having the best mixers in the business.

Some rye, oats, and barley also filter through the port but in relatively insignificant quantities. A summary of the agricultural activity of the port is given in the box listing appearing elsewhere in this issue.

At one time, Baltimore was important to the apple industry of the Shenandoah Valley and western Maryland. That was in the days of the old Baltimore Mail Line with its direct service to England. But with the loss of that direct service, apple growers could not risk the spoilage of a slow trip from Baltimore to England via Philadelphia and New York.

Currently, there is a move to acquire a direct line from Baltimore, via Hampton Roads, to Southampton, England, that would recapture a share of the apple export market.

Stacey Bender, Jr., director of the Export-Import Bureau of the Association of Commerce, explains the long-standing feud over the "second" status of Baltimore to New York. He says New Orleans is second in foreign tonnage value, Houston is second in shipping activity, and Baltimore is second in total foreign tonnage. This ranking for Baltimore has been due chiefly to its tremendous handling of ore imports, brought from Latin America and other parts of the globe to feed the vast industrial heart of the Nation in Baltimore, Pittsburgh, western Pennsylvania and West Virginia.

Shipbuilding and manufacturing enterprises also account for Baltimore's importance but trade is the backbone of the city and the State to which it contributes one-half the population. Oddly enough the Midwestern wheat farmer is perhaps more cognizant of the value of Baltimore to agriculture than is the Harford dairyman or Montgomery stockman but the indirect benefits to Maryland agriculture are great when one considers the impact the Baltimore port story has on farming across the Nation.

Port trade, 1953

IMPORTS

	Tons
Iron ore	7,762,776
Manganese ore	3,085,506
Crude petroleum, residual fuel oil and gas oil	2,717,078
Chrome ore	1,224,072
Sugar, raw and refined	346,992
Gypsum rock	274,555
Bananas	191,986
Fertilizers and fertilizer material	90,271
Zinc ore, concentrates, and scrap	73,057
Crude rubber and allied gums	69,822
Molasses	67,519
Steel mill products	55,734
Woodpulp	45,691
Vegetable dyeing and tanning materials	39,065
Coffee, raw or green	38,490
Copra	37,116
Lead and alloys	29,142
Industrial chemicals	25,572
Newsprint paper	22,555

EXPORTS

Grains	1,888,700
Bituminous coal	1,553,589
Iron and steel products	575,562
Fertilizers and fertilizer materials	187,870
Soybeans	141,862
Metal manufactures and parts	51,019
Wheat flour	27,700
Crude vegetable oils, fats, and waxes	25,969
Construction and mining machinery and parts	25,905
Metalworking machinery and parts	24,145
Glass and glass products	19,862
Vegetables and preparations	19,725
Coke, including petroleum coke	18,925
Nonmetallic minerals and manufactures	15,167
Agricultural machinery and parts	14,925
Chemical specialties	13,929
Industrial chemicals	12,741
Brick and tile	12,616
Motor vehicles	10,716
Refined copper in crude forms	10,299
All other products	186,133
Total	4,837,359

AMENDMENT OF INTERNATIONAL CLAIMS SETTLEMENT ACT OF 1949

The Senate resumed consideration of the bill (H. R. 6382) to amend the International Claims Settlement Act of 1949, as amended, and for other purposes.

Mr. SPARKMAN. Mr. President, the pending bill provides for the settlement of certain claims of American citizens against Bulgaria, Hungary, Rumania, Italy, and the Soviet Union. It is an exceedingly complex piece of legislation and is explained in detail in the report of the Foreign Relations Committee and in the hearings. I shall discuss it here only in broad outline.

The basic purpose of the bill is to provide a means whereby certain assets of Bulgaria, Rumania, Hungary, Italy, and the Soviet Union can be used to reimburse, at least in part, American citizens who have claims against those governments arising from war damage, or from nationalization or prewar government debts.

In the case of Bulgaria, Hungary, and Rumania, certain assets in the United States, which have been blocked since early in World War II, will be taken over by the United States and will be distributed to American claimants.

In the case of Italy, the claims will be paid from a fund of $5 million which the Italian Government has made available to the United States Government for that purpose.

In the case of the Soviet Union, the source of payment will be the assets turned over to the United States by the Litvinov assignment of 1933.

The total amount involved is about $41 million, as against claims aggregating an estimated $755 million. There are somewhere between 8,000 and 9,000 claimants. It is expected that the Italian and the Bulgarian claims can be paid approximately in full, but it is obvious that in the other cases—and particularly in the case of claims against the Soviet Union—only a fraction of the claims can be paid.

The bill is frankly discriminatory in favor of small claimants. It provides that the first thousand dollars of all awards made by the Foreign Claims Settlement Commission is to be paid, and that the portion of awards exceeding $1,000 is to be paid pro rata.

The bill also contains an antiwindfall provision, in the form of a committee amendment, which directs the Treasury, before making any payments, to take into account any tax benefits which the claimant has received in prior years as a result of writing off war damage or nationalization losses.

The bill is to be administered by the Foreign Claims Settlement Commission, which is directed to complete its work within 4 years, except for the Russian claims, which must be completed in 2 years. Five percent of the amount of each award will be deducted to pay the costs of administration, so that the bill will not result in any cost to the Treasury beyond the value of the foreign assets involved.

Now, Mr. President, I would like to comment briefly on the amendments proposed by the Foreign Relations Committee to the bill as passed by the House. All of these amendments have the unqualified support of the administration. They are designed, in general, to make the bill conform with the historic practice of the United States in international claims cases and with the well-established principles of international law. In addition, the committee was guided by a desire to protect to the maximum extent possible the interests of legitimate claimants and to prevent windfalls from speculation. This becomes all the more important in view of the fact that in most cases only a fraction of the claims can be paid in any event.

I have already referred to one committee amendment which provides that tax benefits previously received by claimants must be taken into account by the Treasury in making payments. A further amendment, in section 307, is designed to tighten another antiwindfall provision aimed at reducing speculation in claims. As it came from the House, the bill provided that payments to persons other than those to whom the claim originally accrued could not exceed the amount the person paid for the claim prior to January 1, 1953. The committee amendment provides that the actual payment cannot exceed either that amount or the amount last paid for the claim between that date and the date the claim is filed, whichever is less. This amendment is intended to discourage speculation which might otherwise be stimulated by congressional consideration of the bill.

Another committee amendment, in section 303, limits eligible claimants to those who were American citizens at the time the claim accrued. The House bill went considerably further. It would also have allowed claims by those who had declared their intentions of becoming American citizens at the time of the armistice with Bulgaria, Hungary, and Rumania, who had actually become citizens at the time of the peace treaties with those countries, and who had been continuously permanent residents of the United States between those two dates. It seemed to the committee that this was a most undesirable precedent. The United States Government has never espoused claims accruing to other than its own citizens, and it assumed no obligation to do so under the peace treaties or any other agreement. The committee therefore deleted the House language. The limitation of claimants to those who were citizens at the time the claim arose is in accordance with the traditional practice, not only of the United States but of other governments.

In a further effort to provide some greater degree of protection to bona fide American claimants, the committee added another amendment in section 303 which expressly limits claims based on Bulgarian, Hungarian, and Rumanian bonds to dollar bonds acquired by American citizens before September 1, 1939, in the case of Hungary and Rumania, and before April 24, 1941, in the case of Bulgaria.

Finally, the committee amended the House bill so that, with respect to nationalization claims against the satellite countries, it would apply to claims of American citizens arising at any time prior to the effective date of the act. As it passed the House, this portion of the bill applied only to claims arising before September 15, 1947, the date of the peace treaties with Bulgaria, Hungary, and Rumania. Inasmuch as most

of the nationalizations in these countries have taken place since that date, the House bill would have excluded virtually all such claims. This seemed to the committee to be unjustly discriminatory against nationalization claims in favor of war damage claims. The committee amendment removes this discrimination.

In conclusion, Mr. President, let me make it clear that this bill does not pretend to make a final settlement of the claims involved. The Bulgarian, Rumanian, and Hungarian Governments continue to violate their peace treaty obligations either to restore American-owned property or else to provide compensation to the extent of two-thirds of the war damage suffered by it.

The bill does, however, open the way for some payment to American claimants of long standing. There is no reason to delay action any longer in making use of these satellite assets in the United States so as to provide some measure of compensation to Americans who have been deprived of their property abroad. The bill provides the largest measure of equity and justice which it is possible to provide at this time, and I commend it to the Senate.

Mr. HUMPHREY. Mr. President, I have been very much concerned about the bill. In my opinion, the committee has done a very adequate job in trying to include in the bill principles of equity, and at least a beginning toward the settlement of the claims.

As the Senator from Alabama may recall, the committee also included in the bill provisions for the protection of the Federal Treasury in cases where claimants had taken a tax writeoff, so that an adjustment would be made if there were a restitution of claims which were sought to be processed.

Mr. President, during consideration of the bill by the Foreign Relations Committee, my attention was called to the fact that there were some American property owners whose property in Bulgaria, Hungary, and Rumania was seized by the Soviet occupying authorities and subsequently sold or otherwise transferred to the satellites. The question was raised as to whether these American citizens were entitled to compensation under the bill. It was my feeling that the bill should provide compensation for all Americans who lost property in the Soviet satellite countries, including those whose property was initially taken by the Soviet occupation forces.

Upon checking with the committee staff and with the staff of the Foreign Claims Settlement Commission, I was assured that Soviet claims would be recognized. It is for that reason that the committee did not adopt a clarifying amendment. However, the committee report expresses our understanding that where American property was seized by the occupation authorities and was then sold or otherwise transferred to the satellite governments in question, the owner of the property has a valid claim under the bill.

I mention this as a matter of legislative history, because one of the members of my office staff spent much time on this item with the Foreign Claims Settlement Commission. The Commission said that under existing authority and under their general rules and regulations, they were able to justify these claims; in other words, that the claim would be valid. Therefore, the committee did not clarify that point by an amendment.

But I have noted that the report makes it clear that if American property was seized by the occupation authorities and was then sold or otherwise transferred to satellite governments, the owner of the property has a valid claim under the bill.

Mr. SPARKMAN. The Senator's understanding is correct. I call attention to the fact that on page 5 of the committee report the subject matter of the Senator's question and statement is covered in line with the thinking of the junior Senator from Minnesota.

Mr. HUMPHREY. I thank the Senator from Alabama. The Senator also referred to the tax issue involved in the bill.

Mr. SPARKMAN. That is correct. In the statement I made in presenting the bill, I called attention to the amendment of section 310, in which provision is made against a windfall, as a result of a person having heretofore charged off a loss and later collecting a part of it and getting a double benefit.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that that portion of the report on page 12, under subtitle 10, entitled "Tax Benefits From Writeoffs of Losses," be printed at this point in the RECORD, so that it may become a part of the legislative history.

Mr. SPARKMAN. I think it is a good idea to have that portion of the report included in the RECORD.

There being no objection, the excerpt from the report (No. 1050) was ordered to be printed in the RECORD, as follows:

10. TAX BENEFITS FROM WRITEOFFS OF LOSSES

During the hearings, the committee's attention was drawn to the possibility that a number of the larger claimants, who had already written off their property losses as a deduction from taxable income, would be allowed, in effect, a second recovery by receiving an award from the Commission for the same loss. It was deemed to be inequitable to allow such a recovery which would have the effect of reducing the fund shared by other claimants whose less fortunate circumstances had not permitted them to realize corresponding tax benefit.

For this reason, the committee decided that the bill should provide for a reduction in the amount paid under any award by the amount of the tax benefit obtained in prior taxable years. To accomplish this purpose, the committee recommended that section 310, paragraph 4, of the bill be amended so as to add to the end thereof the following language: "less the amount of any reduction in Federal or State income taxes resulting from the allowance in prior years of any deduction on account of the destruction or seizure of property for which the award hereunder has been made."

Under this amendment, the Secretary of the Treasury would take all such tax benefits into account before making any payments pursuant to an award. The Commission's duty, in this respect, would be limited merely to requesting information from each claimant as to whether tax benefits of the kind discussed in this section had been obtained.

Mr. SPARKMAN. Mr. President, I wish to comment on a remark made by the Senator from Minnesota a few moments ago, namely, the difficulty of writing this type of legislation.

In my opening statement, I called attention to the fact that this is a complicated bill. It is extremely complicated when one considers that there are between 8,000 and 9,000 claims, involving $750 million, while only $41 million is available from which to make payments. Under these circumstances, it is difficult to do justice to all, and it may be that some criticism will be directed toward the committee.

I imagine that some large claimants will criticize us for having discriminated in favor of small claimants. But it seems to me to be only fair and equitable that some such arrangement as this be carried out.

We do not say that the $1,000 claims shall be paid ahead of all other claims, but simply that the first thousand dollars across the board shall be paid. Thus everyone will be treated alike, so far as the first thousand dollars of his claim is concerned.

Mr. HUMPHREY. That is clearly spelled out in the committee report. I believe that since this is such a complicated bill, and unless there be objection, it would be well, together with the clear explanation of the bill by the Senator from Alabama, to have the first 12 pages of the report printed in the body of the RECORD; and I ask unanimous consent that that be done, primarily because, in a study of the purpose of the bill, the explanation in the committee report is precise and, at the same time, will give the intent and interpretation of the committee of Congress when the bill was discussed on the floor.

There being no objection, the report (No. 1050) was ordered to be printed in the RECORD, as follows:

The Committee on Foreign Relations, having had under consideration H. R. 6382, amending the International Claims Settlement Act of 1949, as amended, to provide for the settlement of certain claims of nationals of the United States against Bulgaria, Hungary, Rumania, Italy, and the Soviet Union, report the same to the Senate with a number of amendments and recommend that it do pass.

1. MAIN PURPOSE OF THE BILL

The purpose of the present bill is to establish a claims program for the benefit of American nationals whereby they may obtain at least partial compensation for (1) war damage, nationalization, and prewar governmental debt (bond) claims, against the Governments of Bulgaria, Hungary, and Rumania; (2) claims against the Government of Italy arising out of the war and not otherwise provided for in the Italian peace treaty; and (3) claims against Russian nationals secured by liens on certain assets prior to the Litvinov assignment, and other claims arising prior to November 16, 1933, against the Soviet Government. To that end the bill authorizes the vesting and liquidation of currently blocked assets of the Governments of Bulgaria, Hungary, and Rumania and of their nationals other than natural persons. Approximately $27 million will be realized from this source. Claims against the Soviet and Italian Governments would be satisfied out of two additional funds consisting, respectively, of approximately $9 million in assets transferred to the United States under the Litvinov assignment, and of $5 million made available to this country

pursuant to an exchange of notes known as the Lombardo Agreement.

Under this bill, the entire program would be administered by the Foreign Claims Settlement Commission which succeeded to the functions of the International Claims Commission and the War Claims Commission under Reorganization Plan No. 1 of July 1, 1954. This is accomplished by amending the International Claims Settlement Act of 1949, as amended, so as to authorize the Foreign Claims Settlement Commission to adjudicate the various classes of claims described above, and to certify its awards to the Secretary of the Treasury for payment in accordance with the procedure established in the bill. Neither the amounts paid in satisfaction of the claims, nor any expenses incurred in administration of the program would be derived from general appropriations. All awards will be payable exclusively from assets of the countries referred to which are or will become available to the United States for the settlement of these claims. In other words, the funds do not come from the pockets of the taxpayer.

2. BACKGROUND OF THE BILL

In the peace treaties of September 15, 1947, the Governments of Bulgaria, Hungary, and Rumania undertook to restore American-owned property in their respective countries or else provide compensation to the extent of two-thirds of the war damage suffered by it. These undertakings have not been honored. Nor have American owners been compensated for property which was nationalized or otherwise taken subsequent to the date of the treaties. Other obligations to American nationals likewise remain unsatisfied. Under the terms of the peace treaties (art. 29 of the treaty with Hungary is typical), it was provided that assets in the United States belonging to the three governments or their nationals might be seized and liquidated, and the proceeds used for such purposes as the United States might desire "within the limits of its claims and those of its nationals, including debts, other than claims fully satisfied under other articles of the present treaty."

Similarly, the Government of Italy, in article 78 of the 1947 peace treaty with that country, undertook to compensate, in Italian currency, those United States nationals who had sustained war damage to their property in Italy. The scope of this provision is limited to those claims which arose within Italian territory, and does not extend to claims arising on the high seas and other types of damage. Treaty claims are being handled by a conciliation commission established under article 83 of the peace treaty. During negotiations for the release and return of Italian assets which had been blocked in this country, the Italian Government turned over to the United States the sum of $5 million "to be utilized in application of the claims of United States nationals arising out of the war with Italy and not otherwise provided for."

The remaining general source of the funds involved in the present bill consists of assets released and assigned to the United States pursuant to the agreement of November 16, 1933, between President Franklin D. Roosevelt and Maxim Litvinov under which recognition was extended to the Soviet Union. Although the assignment stated that it was preparatory to a final settlement of outstanding claims and counterclaims between the two Governments, further efforts to obtain such an overall settlement have not been successful. The assigned assets, amounting to about $9 million, have been collected and are deposited in a special account in the Treasury.

These are the funds which are available to claimants against the five governments. Of $34 million in vested and blocked assets of Bulgaria, Hungary, and Rumania, $27 million are either government- or corporate-owned, and will be disposed of under the bill. The balance, belonging to private individuals, is to remain blocked pending future study of the disposition to be made of it. Because there is at present no other way for American owners to obtain recompense for their losses except against the assets made available in this bill, the administration has decided that the claims of American citizens should be met by utilization of the funds referred to.

3. COMMITTEE ACTION

H. R. 6382 was introduced in the House of Representatives by Hon. JAMES P. RICHARDS, the chairman of the House Committee on Foreign Affairs, on May 19, 1955, and passed the House on June 23, 1955. Hearings before the Committee on Foreign Relations began on July 8, 1955, with testimony by administration witnesses, including Assistant Secretary of State Thruston B. Morton, Chairman Whitney Gillilland of the Foreign Claims Settlement Commission, and Commissioner Henry J. Clay. Mr. Sidney Gross of the Office of Alien Property, Department of Justice, addressed himself to title II of the bill, relative to the vesting and liquidation of property of the satellite governments. Three Members of Congress, Hon. ALVIN M. BENTLEY, Hon. EUGENE J. KEOGH, and Hon. ABRAHAM J. MULTER, were also heard. Public hearings were concluded on July 14, 1955, with testimony from 16 private witnesses.

The committee, after approving certain changes in the bill, voted, without objection, to report it favorably to the Senate on July 19, 1955.

4. SUMMARY OF PROVISIONS

(a) *Vesting and liquidation of assets (title II)*

Sections 201–215 of the bill authorize the vesting of assets in the United States owned by Bulgaria, Hungary, and Rumania and their nationals other than natural persons. The assets proposed for vesting are among those still blocked under Executive Order 8389 of April 10, 1940, as amended, pursuant to which World War II blocking controls were administered. Any proceeds from the liquidation of such vested assets would be transferred to special funds in the Treasury dedicated to the payment of compensation to qualifying American claimants against the governments of the three countries referred to. A limited amount of assets belonging to natural persons and vested during World War II would be divested and retained in special blocked accounts along with the still blocked assets of natural persons of Bulgarian, Hungarian, and Rumanian nationality.

This portion of the bill is modeled substantially after the pertinent provisions of the Trading With the Enemy Act, as amended (50 U. S. C., App. 1 et seq.). Sections 201–203 set forth the features of the vesting program described above and the procedure for implementing it. A determination by the administering agency that property is not owned by natural persons is final, and not subject to judicial review. Compliance with vesting orders concerning securities would be obtained by requiring the issuing company to issue new certificates or other documents to the administering agency (sec. 203). The recording of a vesting order is given the same effect for purposes of notice to interested parties as the recording of a conveyance or an assignment (sec. 204). Persons effecting any payment, conveyance, or delivery of property pursuant to orders of the administering agency are relieved of any liability therefor (sec. 205). Provision is also made for judicial enforcement of orders by the agency (sec. 206). Any complainant alleging he is not a national of Bulgaria, Hungary, and Rumania has the choice of a judicial remedy, or an administrative remedy with judicial review by the United States Circuit Court of Appeals; but he must elect between the two procedures.

Under section 208, the administering agency is directed to apply property vested under section 202 to the payment of debt claims of Americans against the prevesting owners. The claim of a creditor can be paid only from the vested property of his particular debtor. Debt claims against the three governments, as well as debt claims payable in non-American currency under this section, are barred. The net effect of the provision would be to permit the payment of any debts of prevesting owners prior to the application of such owners' property to payment of awards by the Foreign Claims Settlement Commission against the governments of these owners. Disallowance of any such debt claims is subject to judicial review.

Section 209 empowers the administering authority to hold hearings, prescribe rules governing the disposition of claims, and issue subpenas, administer oaths, and examine witnesses. A 1-year statute of limitations is provided for filing suits and claims for return of vested property (sec. 210). As in other portions of the bill, a 10-percent ceiling is established on attorneys' fees in suits or claims for return of property (sec. 211). Under section 212, Federal, State, and local taxes otherwise payable are not rendered inapplicable by vesting, and the administering agency is authorized to pay such taxes. The amount of any administrative expenses incurred by the agency in connection with particular assets may be deducted prior to their transfer to the Treasury (sec. 213). Postvesting liens, attachments, and the like against vested assets or the proceeds thereof are prohibited except as specifically authorized (sec. 214), and criminal penalties are established for violations of the provisions of title II of the bill (sec. 215).

(b) *Claims against Bulgaria, Hungary, Rumania, Italy, and the Soviet Union (title III)*

Section 301 contains definitions of the terms used in title III. Thus, for example, "Treaty of Peace" refers to the treaty between the United States and a former enemy state which came into force on September 15, 1947. "Memorandum of Understanding" means the Lombardo Agreement with Italy. The term "national of the United States" for the purposes of the bill includes (*a*) a natural person who is a citizen of or owes permanent allegiance to the United States, and (*b*) a corporation organized under the laws of the United States of which more than 50 percent of the stock is owned by American nationals who are natural persons.

Under section 302, five separate funds are created in the Treasury for claims against the five governments, from the sources already indicated in this report. (See sec. 2 above.) It is provided that the Secretary of the Treasury shall deduct from each claims fund 5 percent thereof as reimbursement to the Government of the United States for expenses incurred by the Commission and the Treasury in administering this title of the bill. Such deduction will be made before any sums are paid out to claimants. The funds created remain completely independent of each other and are not pooled for application to the five categories of claims as a whole. Claims against each government must be satisfied out of the assets pertaining to that government.

Section 303 directs the Commission to receive and determine "in accordance with applicable substantive law, including international law, the validity and amounts of claims of nationals of the United States against the Governments of Bulgaria, Hungary, and Rumania," in three classes of cases. The first involves war damage claims which the governments in question had un-

dertaken to satisfy in the treaties of peace (par. 1). The second group consists of claims for nationalization, compulsory liquidation, or "other taking," prior to September 15, 1947 (the date of the treaties of peace), of property of American nationals in Bulgaria, Hungary, and Rumania (par. 2). The third group relates to "obligations arising out of contracts which existed on, or out of other rights which were acquired by nationals of the United States prior to, April 24, 1941, in the case of Bulgaria, and on or prior to September 1, 1939, in the case of Hungary and Rumania, and which became payable prior to September 15, 1947."

War-damage claims include claims for the physical loss or destruction of identifiable property resulting from war operations in the particular country against which the claim is filed. Nationalization or other expropriation claims cover the taking of American-owned property by any of these countries for which compensation has not been made. The phrase "other taking" in paragraph 2 of this section would also appear to include takings of American-owned property in the satellite countries by occupation authorities, which property was subsequently acquired and is presently held by the satellite governments. The precise means by which they attained control over such property would seem to be immaterial. Prewar governmental debt claims contemplate those claims based upon the failure of any of these governments to meet their bond obligations or other debts.

Section 304 deals with claims against the Government of Italy arising out of the war in which Italy was engaged from June 10, 1940, to September 15, 1947, and for which no provision was made in the peace treaty. These claims would be satisfied out of funds transferred to the United States under the Lombardo agreement already referred to.

Russian claims are disposed of in section 305. They include two general classes: (1) Claims founded upon liens which had been obtained prior to November 16, 1936, by United States nationals, arising out of a judgment or warrant of attachment against property in the United States subsequently taken over by the Government under the Litvinov assignment; and (2) claims of nationals of the United States against the Soviet Union arising prior to November 16, 1933, the date of the assignment. Awards in the first class may not exceed the proceeds of the property subjected to the lien. If the proceeds are less than the aggregate amount of all valid claims related to the same property, the award may not be greater than the proportionate amount of each such claim with respect to the total proceeds. By virtue of section 310 (a), such awards must be paid by the Secretary of the Treasury in full, in contrast with the pro rata treatment given to all other claims. This preferential treatment is justified by the following considerations: A number of nationals of the United States, having pursued their claims against Russian nationals in United States courts, or in State courts, obtained liens against specific assets, and to that extent acquired a property interest therein. These assets then became the subject of the Litvinov assignment and were transferred to the Federal Government. Lien claimants, it was felt, were entitled to a priority in the payment of their claims over other claims against the Soviet Government which had not attained a comparable legal status. It is also provided (sec. 305 (b)) that any valid judgment entered by a court in the United States shall be binding upon the Commission in its determination, under this section of the bill, of any issue decided by the court which entered judgment. Finally, the Commission is directed to give preference, in its procedure and deliberations, to the disposition of this group of claims over other claims presented to it.

(c) Procedural provisions

Sections 306–310 deal with Commission procedure relative to the filing of claims and certification of awards. Section 306 requires the Commission to publish in the Federal Register the time when and the limit of time within which claims may be filed; but in no event may such filing period exceed 1 year after the date of publication, except that Russian claims must be filed within a period of 6 months of the date of notice. The notice to the public must be published within 60 days after enactment of the bill or enactment of appropriations legislation for administrative expenses, whichever is later.

Section 310 sets forth a number of directions to the Secretary of Treasury concerning the payment of awards and the manner in which this is to be done. This portion of the bill is frankly designed to benefit the holders of small claims of $1,000 or less. These claimants would be paid in full, immediately. For claims in excess of $1,000 (except for the preferential treatment given certain Russian claimants, as already noted in sec. 4b), the claimant would be given $1,000 as a downpayment. The balance of his award would be paid from time to time in ratable proportions after the Treasury had determined how much money remained in the fund. After payment had been made in full of the principal amounts of all awards from any one fund, pro rata payments would be made from the remainder of such fund then available for distribution on account of accrued interest on such awards as bear interest.

Section 313 specifically declares that no payment for less than the full amount of a claim determined to be valid by the Commission shall have the effect of extinguishing the claim, or of divesting either the claimant or the United States Government of any rights against the particular foreign government for the unpaid balance of the claim or for restitution of the claimant's property. It is further provided, somewhat superfluously, that awards made under the bill shall not prejudice claims of the United States against any foreign government.

The action of the Commission in allowing or disallowing a claim under title III of the bill is final and conclusive and not subject to administrative or judicial review (sec. 314).

(d) Miscellaneous provisions

Under section 316, the Commission must complete its affairs in connection with the settlement of claims within the period of 4 years from the enactment of the bill, except for so-called judgment claims against Russian nationals, which are required to be disposed of within 2 years. Section 317 limits the fees of attorneys "for services rendered * * * in connection with any claim filed with the Commission" to a maximum of 10 percent of the amount paid on account of the claim, any agreement to the contrary notwithstanding. Criminal penalties are provided for violations of this provision. However, the bill authorizes the Commission, under circumstances of unusual hardship, to order as remuneration an amount in excess of the 10-percent limit. Petitions to the Commission for relief in such cases must be filed within 3 months after the Commission has completed its functions in respect of all claims payable from the fund to which the particular award pertains. Section 315 authorizes the appropriation of such sums as may be necessary to enable the Commission and the Treasury Department to pay administrative expenses incurred in carrying out the provisions of the bill.

Finally, it is provided that no award under title III shall be made for any person who "voluntarily, knowingly, and without duress, gave aid to or collaborated with or in any manner served any government hostile to the United States during World War II, or who has been convicted of * * * any * * * crime involving disloyalty to the United States (sec. 312)."

5. CORPORATE CLAIMS: STOCKHOLDER ELIGIBILITY

It has been pointed out in this report that for a United States corporation to qualify as an American national in presenting a claim to the Commission, more than 50 percent of its stock must be owned by natural persons who are nationals of the United States (sec. 301). Section 311 specifies the conditions which must be met by a stockholder in asserting a claim for damage sustained by a corporation which was not an American national at the time of loss. In its original draft form, the bill stated that in such cases the claim should be acted upon without regard to the nationality of the company, if at the time of the loss at least 25 percent of the outstanding capital or other beneficial interest in such entity was owned, directly or indirectly, by natural persons who were nationals of the United States. The phraseology reflects the traditional practice of the United States in requiring a showing of a "substantial" interest in a foreign corporation, before it will espouse an international claim. Its primary purpose, however, was to eliminate claims based upon a holding of 1 or 2 shares, which would hardly justify the expense and effort of processing.

This provision was amended on the floor of the House of Representatives to include as eligible claimants the same class of claimants as "would be eligible to file claims" for war damage against the satellite governments under section 303 (1). The quoted phrase would produce some curious results in the bill. Under section 303, the only persons eligilbe to file claims are American nationals. On the other hand, the Commission, under section 303 (1), may not deny claims on the sole ground that a claimant was not a national, if he meets the conditions set forth therein. The effect of the House amendment, therefore, is to declare that a claimant may only file a claim under the provision if 25 percent of the stock interest is owned by nationals of the United States or "nationals of the United States." The obvious purpose of the amendment was to permit a person to qualify as a claimant in cases of corporate loss, if he could show that 25 percent of the stock was held either by American nationals, or by persons who are not nationals but who (1) declared their intention to become a citizen at the date of the armistice; (2) resided permanently in the United States between that date and the date of the treaty of peace; and (3) became a citizen of the United States by September 15, 1947. The provision was opposed by the administration, in the words of Commissioner Gilliland, on the ground that "these eligibility requirements would present complicated, involved, and expensive problems of establishing entitlement to compensation. They have all the earmarks of special legislation, and we do not believe they ought to be in the bill."

The committee notes that the amendment here in question constitutes a departure from the standard method of handling claims of American stockholders in foreign corporations. As already mentioned, the test usually applied has been that of a "substantial" American interest, and the claim must have been national in origin as well as on the date of presentation. The House amendment puts the United States in the position of supporting stock claims where there may have been no American interest at all on the date of loss. For these reasons, the committee recommends that section 311 (b) of the bill be amended by deleting the words "or such natural persons who would be eligible to file claims under section 303 (1)." This change signifies that a stockholder claimant in a foreign corporation would not be eligible under the bill unless 25 percent

of the corporate stock was owned by American nationals at the time of loss.

6. ELIGIBLE CLASSES OF CLAIMANTS

The general principle controlling the eligibility of a natural person to file a claim against another government is the familiar rule of international law that such a claim must be continuously owned by the national of the claimant state from the time the claim arose until the date of its presentation. This principle is followed in the bill as it passed the House with respect to the Russian and Italian claims, as well as for claims based upon nationalization and compulsory liquidation of property in the territory of Bulgaria, Hungary, and Rumania. It is not followed with respect to war damage claims or claims of American stockholders in foreign-owned corporations. (See sec. 5 above.) Thus, the bill as approved by the House does not contain a uniform standard of eligibility, and consequently discriminates in principle between various categories of claimants.

In the draft bill originally submitted by the administration to the House Committee on Foreign Affairs the same principle was applied to claims based upon war damage in those three countries. As reported by that committee, however, and passed by the House, the principle was abandoned for such claims. Instead, section 303 declares that the claimant need not have been an American citizen when the loss was suffered, provided that he was (a) a person who had declared his intention to become an American citizen at the time of the armistice, (b) had become a citizen by September 15, 1947 (the date of the peace treaty), and (c) resided in the United States permanently from the date of the armistice to the date of the peace treaty.

The committee has carefully considered the arguments advanced in support of the proposed extension of eligibility which, if adopted, would mark the first time in the claims history of the United States that a declaration of intention was equated with citizenship. After weighing all pertinent factors, the committee has concluded that such a precedent is not desirable. While sympathetic to the plight of those unfortunate individuals who were not American citizens when they sustained war losses, the committee has had to keep uppermost in view the interest of those individuals who did possess American nationality at the time of loss. It is these persons who have a paramount claim to any funds which may be available. Even without the addition of the class here questioned, the funds will be insufficient to meet the claims of otherwise qualified claimants, except possibly in the case of the Bulgarian and Italian assets. The accompanying table shows the approximate number of claimants, the estimated amounts of claims to be filed, and the funds available for the payment of such claims by countries.

Estimated number of claims, amounts, and funds available

Country	Estimated number of claimants	Estimated total of claims to be filed	Funds available to pay claims
Bulgaria	[1] ¼, 000	+$125, 000, 000	$3, 000, 000
Hungary			6, 000, 000
Rumania			25, 000, 000
Italy	1, 000–1, 500	+5, 000, 000	5, 000, 000
Russia	3, 000–3, 500	425, 000, 000	9, 000, 000
Total funds			48, 000, 000
Less assets owned by natural persons			7, 000, 000
Net total available for payment of claims			41, 000, 000

[1] It is estimated that approximately ½ o these claims are for losses arising prior to Sept. 15, 1947.

Approximately one-half of the claims against Bulgaria, Hungary, and Rumania are expected to be for losses arising prior to the date of the peace treaties, a total of 2,000 claims comprising over $60 million. The net total available for payment of the remaining claims is expected to be in the neighborhood of $25 million. The following table shows the estimated number and amount of claims which would be involved if those claimants whose citizenship was acquired after the date of the armistice are excluded:

Hungary:	
Total claims filed	1, 124
Claimants acquiring citizenship after 1944 (armistice)	167
Average claim	$28, 000
Rumania:	
Total claims filed	226
Claimants acquiring citizenship after 1944 (armistice)	15
Average claim	$38, 000
Bulgaria:	
Total claims filed	139
Claimants acquiring citizenship after 1944 (armistice)	25
Average claim	$35, 000

To include the non-national-in-origin group would only dilute the funds still further, and increase the injustice to American owners. For these reasons, the committee decided to delete the last sentence of section 303, paragraph (1), which would have the effect of limiting the eligible class to claimants who were American citizens at the date the loss was sustained.

7. NATIONALIZATION CLAIMS AND THE CUTOFF DATE OF SEPTEMBER 15, 1947 (THE BENTLEY AMENDMENT)

In the form in which it was adopted by the House, section 303 (2) of the bill provides that the Commission should dispose of claims "for the nationalization, compulsory liquidation, or other taking, prior to September 15, 1947, of property of nationals of the United States in Bulgaria, Hungary, and Rumania."

The italicized phrase, which was not in the bill drawn up by the interested administrative agencies, was adopted by the House Committee on Foreign Affairs at the suggestion of Congressman ALVIN M. BENTLEY. Its intent was to limit solely to war damage claims the use of assets which had been blocked during wartime. Because most of the claims based upon nationalization action by the satellite governments took place subsequent to the date of the peace treaties, all such claims would be barred. Of the three countries dealt with in this portion of the bill, only Hungary had begun nationalization prior to the date of the peace treaties.

The committee is not persuaded that the arguments advanced in support of this restriction upon nationalization claims are sufficient to overcome the injustice which it works with respect to those claimants whose property losses were sustained after September 15, 1947. Unless they are permitted to share in the funds, their chances of recovering anything in the foreseeable future are extremely remote. Moreover, to subordinate nationalization and confiscation claims to war damage claims would not be in the best interests of the United States which has always espoused the claims of American nationals against foreign governments for expropriations without just compensation. There is no evidence that any group of claimants, even those who would stand to benefit from the increased sums made available for war damage claims, are in favor of this amendment, and the administration is strongly opposed to it.

For these reasons, the committee unanimously voted to strike the phrase "September 15, 1947," and to replace it with the words "the effective date of this act." The change would extend the Commission's jurisdiction to nationalization claims arising both before and after the date of the peace treaties.

8. SPECULATION IN CLAIMS

Section 307 of the bill provides that any award made pursuant to title III, which is based on a claim of a United States national other than the national to whom the claim originally accrued, shall not exceed the amount of the actual consideration last paid therefor prior to January 1, 1953. This provision is intended to discourage speculation in claims by preventing the enrichment of those individuals who may have paid low prices for their bonds or other claims. Its effect would be that if the claim were purchased from its original holder or his successor in interest prior to January 1, 1953, the claimant would be entitled only to the price he paid for it; whereas if it were purchased after that date, he would be entitled to the value of his claim, although that value may have increased for whatever reason.

The committee considers that this discriminatory feature of the bill should be eliminated and that the bar to speculative enrichment should apply up until the time the claim is presented to the Commission. For this reason, it voted to replace the clause "prior to January 1, 1953" by the following language: "either prior to January 1, 1953, or between that date and the filing of the claim, whichever amount is less."

9. BOND CLAIMS

Claims dealt with in section 303 (3) of the bill relate to contractual obligations, principally rights in bonds, issued by the Governments of Bulgaria, Hungary, and Rumania. The jurisdiction given to the Commission is limited to obligations acquired by United States nationals before the war, and which became payable prior to the date of the peace treaties. The section reads as follows:

"Obligations arising out of contracts which existed on, or out of other rights which were acquired by nationals of the United States prior to April 24, 1941, in the case of Bulgaria, and on or prior to September 1, 1939, in the case of Hungary and Rumania."

The committee considers that the italicized passage is susceptible of varying interpretations, and might be productive of difficulties for the Commission in applying it. It might be argued that the provision covered bonds payable in the currency of Bulgaria, Hungary, and Rumania; whereas the persons whom we are seeking to protect are American nationals who purchased bonds marketed in the United States. The phrasing "contracts which existed on" is also unfortunate, in that it might be construed as justifying presentation of a bond claim which was not American in origin.

Accordingly, the committee voted to amend paragraph 3 so that it would read "meet obligations expressed in currency of the United States arising out of contractual or other rights which were acquired," etc. In this connection it should be emphasized that whether a claim based upon a defaulted bond is a valid international claim will be a matter for the Commission to determine. It must not be assumed that the mere fact that bond payments have been defaulted suffices

to create a valid claim. As pointed out in the Annual Report of the Foreign Bondholders Protective Council, Inc., for 1945:

"The traditional policy of the American Government has been that such loan and investment transactions were primarily private actions, to be handled by the parties directly concerned. The Government realizes a duty, within the proper limits of international law * * * to defend American interests abroad. However, it would not be wise for the Government to undertake directly the settlement of private debt situations."

10. TAX BENEFITS FROM WRITEOFFS OF LOSSES

During the hearings the committee's attention was drawn to the possibility that a number of the larger claimants, who had already written off their property losses as a deduction from taxable income, would be allowed, in effect, a second recovery by receiving an award from the Commission for the same loss. It was deemed to be inequitable to allow such a recovery which would have the effect of reducing the fund shared by other claimants whose less-fortunate circumstances had not permitted them to realize corresponding tax benefit.

For this reason, the committee decided that the bill should provide for a reduction in the amount paid under any award by the amount of the tax benefit obtained in prior taxable years. To accomplish this purpose, the committee recommended that section 310, paragraph 4, of the bill be amended so as to add to the end thereof the following language: "less the amount of any reduction in Federal or State income taxes resulting from the allowance in prior years of any deduction on account of the destruction or seizure of property for which the award hereunder has been made."

Under this amendment, the Secretary of the Treasury would take all such tax benefits into account before making any payments pursuant to an award. The Commission's duty, in this respect, would be limited merely to requesting information from each claimant as to whether tax benefits of the kind discussed in this section had been obtained.

11. CONCLUSIONS

The committee desires to record its satisfaction that steps are now being taken to provide a method of compensating American nationals who have sustained losses covered by the present bill. Settlement of their claims out of the assets which are available to the Government, and at no additional cost to the taxpayers, is long overdue.

Admittedly, the bill, as it is reported to the Senate, does not embrace all categories of claimants who may feel that they should be allowed to participate in the funds. It must be emphasized, however, that these funds are limited, and that to the extent that additional, less deserving classes are admitted, those funds will be further diluted, to the prejudice of individuals who were American citizens at the time they were injured in their property rights. The committee's primary concern has been to do the greatest possible equity while at the same time following a course which is believed to be in the best interests of the United States in maintaining a sound claims policy.

The committee believes the bill to be sound and equitable and strongly urges its approval by the Senate.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc.

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

The amendments agreed to en bloc are as follows:

On page 28, line 22, after the word "sustained", to strike out the period and "No claim under this paragraph shall be denied on the sole ground that the natural person who originally suffered the loss was not a national of the United States if on the date of the armistice with the country with respect to which his claim is asserted and continuously thereafter until September 15, 1947, such person was a permanent resident of the United States, and if he had at any time prior to the date of such armistice formally declared his intention of becoming a citizen of the United States and had become a citizen of the United States by September 15, 1947"; on page 29, at the beginning of line 11, to strike out "September 15, 1947" and insert "the effective date of this act"; after line 13, to strike out:

"(3) meet obligations arising out of contracts which existed on, or out of other rights which were acquired by nationals of the United States prior to, April 24, 1941, in the case of Bulgaria, and on or prior to September 1, 1939, in the case of Hungary and Rumania, and which became payable prior to September 15, 1947."

And in lieu thereof to insert:

"(3) meet obligations expressed in currency of the United States arising out of contractual or other rights acquired by nationals of the United States prior to April 24, 1941, in the case of Bulgaria, and prior to September 1, 1939, in the case of Hungary and Rumania, and which became payable prior to September 15, 1947."

On page 32, line 9, after the word "therefor", to strike out "prior to January 1, 1953" and insert "either prior to January 1, 1953, or between that date and the filing of the claim, whichever is less"; on page 33, line 17, after the word "made", to insert "less the amount of any reduction in Federal or State income taxes resulting from the allowance in prior years of any deduction on account of the destruction or seizure of property for which the award hereunder has been made"; and on page 35, line 7, after the word "States", to strike out "or, such natural persons who would be eligible to file claims under section 303 (1)."

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 (H. R. 6382) was read the third time and passed.

Mr. SPARKMAN. Mr. President, 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. SPARKMAN, Mr. HUMPHREY, Mr. MANSFIELD, Mr. SMITH of New Jersey, and Mr. HICKENLOOPER conferees on the part of the Senate.

SIR WINSTON CHURCHILL

Mr. SMATHERS. Mr. President, today the people of the world are more hopeful for lasting peace than they have been since the end of World War II. This confident, hopeful feeling results from the action of the Big Four at the recent meeting at the summit at Geneva, Switzerland. President Eisenhower deserves great credit for his expressions on behalf of the American people and his inspired leadership at the conference. He was the free world's advocate. He made it clear that the free world sincerely sought a peaceful solution to the problems which confront and confound the world today.

The chairman of the Committee on Foreign Relations, the senior Senator from Georgia [Mr. GEORGE], deserves great credit as well for the conference being held, for he was the man who had the courage and the foresight to express the opinion that the United States was big enough and strong enough to meet with the Communists and to discuss with them the tensions of the world and the prospects for peace.

The peace-loving people of the world owe an eternal debt of gratitude to the courage and vision of the Senator from Georgia. However, the original idea of this meeting at the summit was that of another of the truly great men of our time, or, of all time, for that matter, a man whose stature, whose vision, whose influence, whose voice have reached across the continents of the world to give hope and inspiration to the people of the world who sought freedom and peace. I speak of that famous man, Winston Churchill.

When several months ago, the retirement of Winston Churchill as Prime Minister of Great Britain was announced, it was my first thought to propose legislation conferring upon him honorary citizenship in recognition of his service and of the unique affection and veneration in which he is held in this country. But a detailed study of the proposal showed there were legal complications which might detract from the recognition which was contemplated. Accordingly, I have prepared, instead, and am submitting at this time, a resolution expressing the appreciation of the United States Senate to this elder statesman of the world.

Winston Churchill was first elected to Parliament 55 years ago, in 1900, and attained Cabinet rank in 1910 as Home Secretary.

Across the lives of two generations, and across the pages of history, his record is today indelibly imprinted more than any other figure in modern times, he has inspired the free peoples of the world to fight as well as die for freedom.

It was Churchill who, in the darkest hours of the battle for Britain, showed his people and the world that by faith and indomitable courage the evil forces of tyranny could be defeated. He set the example against naziism, and then went on to show the same stalwart determination against the threat of communism.

In his career, Churchill has been closer to the people of the United States than has any other foreign leader. In a real sense, he is a son of America, for his mother was a citizen of this country.

In the twilight of his career, it is fitting that we recognize his great contribution. It is for that reason that I now submit a resolution which expresses the hope that his life will be rich and joyous, repaying him in some small measure for his services to mankind. The world is better, stronger, healthier, and happier because of Winston Churchill.

So on behalf of myself and 51 other Senators I submit the resolution and ask that it be appropriately referred.

The PRESIDING OFFICER. The resolution will be received and will be appropriately referred.

The resolution (S. Res. 139), submitted by Mr. SMATHERS (for himself, Mr. ALLOTT, Mr. ANDERSON, Mr. BARRETT, Mr. BEALL, Mr. BENNETT, Mr. BRICKER, Mr. BUTLER, Mr. BYRD, Mr. CASE of New Jersey, Mr. CASE of South Dakota, Mr. CHAVEZ, Mr. CLEMENTS, Mr. DANIEL, Mr. DOUGLAS, Mr. DUFF, Mr. ERVIN, Mr. FLANDERS, Mr. FULBRIGHT, Mr. GEORGE, Mr. GOLDWATER, Mr. GORE, Mr. HAYDEN, Mr. HICKENLOOPER, Mr. HILL, Mr. HOLLAND, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. KEFAUVER, Mr. KILGORE, Mr. LEHMAN, Mr. LONG, Mr. MAGNUSON, Mr. MCCLELLAN, Mr. MILLIKIN, Mr. MONRONEY, Mr. MORSE, Mr. MUNDT, Mr. MURRAY, Mr. NEUBERGER, Mr. PAYNE, Mr. POTTER, Mr. ROBERTSON, Mr. SCOTT Mr. SMITH of New Jersey, Mr. SPARKMAN, Mr. STENNIS, Mr. SYMINGTON, Mr. THURMOND, Mr. WATKINS, and Mr. WELKER), was received and referred to the Committee on Foreign Relations, as follows:

Whereas Sir Winston Churchill occupies a prominent world position as a leader in the cause of freedom; and

Whereas the part Sir Winston Churchill played in connection with the efforts of the free world to stem the tide of Fascist totalitarianism, thereby freeing millions from slavery, will always be remembered by freemen throughout the world; and

Whereas, since the conclusion of World War II, this great leader has been relentless in his efforts, in cooperation with the United States, to hold back the tide of Communist tyranny and to establish a firm and lasting peace; and

Whereas Sir Winston Churchill's services to the cause of freedom have been expressed not only in deeds but also in words which are now imbedded in the literary heritage of the world helping to mold the thoughts and actions of men to the end that there will be a better understanding and appreciation of human dignity and the rights of the individual, as well as a keener awareness of the basic fallacies and insidious nature of the doctrines of totalitarianism in any form: Now, therefore, be it

Resolved, That the Senate of the United States, on the occasion of the retirement of Sir Winston Churchill as Prime Minister of Great Britain, expresses its high appreciation of the outstanding contribution this truly great statesman has made to the cause of freedom and of his tireless efforts in behalf of world peace; and be it further

Resolved, That the Senate of the United States hereby expresses its profound hope that Sir Winston Churchill may be spared for many more years of useful and honorable service; and be it further

Resolved, That the Secretary of the Senate of the United States is instructed to transmit a copy of this resolution to Sir Winston Churchill.

PRINTING OF MANUSCRIPT ENTITLED "THE HOUSE OF REPRESENTATIVES"

Mr. GREEN. Mr. President, I ask unanimous consent that the Chair lay before the Senate a concurrent resolution (H. Con. Res. 190) which has just been received from the House of Representatives. The concurrent resolution relates entirely to the business of the House of Representatives—in this case, the printing of the manuscript entitled "The House of Representatives."

Therefore, I ask that the concurrent resolution be laid before the Senate; and I then shall request the immediate consideration of the resolution, instead of having it referred to the Committee on Rules and Administration.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair) laid before the Senate a concurrent resolution (H. Con. Res. 190), which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That the manuscript entitled "The House of Representatives," which sets forth the history and functions of the House of Representatives, shall be printed, with illustrations, as a House document.

SEC. 2. There shall be printed 300,000 additional copies of such House document for the use of the Members of the House of Representatives.

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

Mr. KNOWLAND. Mr. President, reserving the right to object—although I shall not object—let me say that this measure was taken up with the acting majority leader and with the minority leader. Because, as the distinguished Senator from Rhode Island, the chairman of the Senate Committee on Rules and Administration, has pointed out, the concurrent resolution relates to the work of the other body, as a matter of comity between the two Houses I would not insist that the concurrent resolution be referred to committee.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Rhode Island for the immediate consideration of the concurrent resolution?

There being no objection, the concurrent resolution (H. Con. Res. 190) was considered and agreed to.

PRINTING AND BINDING OF REVISED EDITION OF CANNON'S PROCEDURE IN THE HOUSE OF REPRESENTATIVES

Mr. GREEN. Mr. President, House Joint Resolution 385, authorizing the printing and binding of a revised edition of Cannon's Procedure in the House of Representatives, has just been received from the House of Representatives. The joint resolution relates entirely to the business of the House, namely, the publication of this manuscript. Therefore I request that the Chair lay the joint resolution before the Senate; and then I shall ask unanimous consent for the immediate consideration of the joint resolution, without having it referred to the Committee on Rules and Administration.

The PRESIDING OFFICER laid before the Senate the joint resolution (H. J. Res. 385) authorizing the printing and binding of a revised edition of Cannon's Procedure in the House of Representatives and providing that the same shall be subject to copyright by the author, which was read twice by its title.

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

Mr. KNOWLAND. Mr. President, this measure has also been taken up with both the acting majority leader and the minority leader; and inasmuch as the joint resolution deals with the workings of the other body, as a matter of comity between the two Houses I would not insist that the joint resolution be referred to committee.

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

There being no objection, the joint resolution (H. J. Res. 385) was considered, ordered to a third reading, read the third time, and passed.

VENTURA RIVER RECLAMATION PROJECT, CALIFORNIA

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1083, Senate bill 926.

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

The motion was agreed to; and the Senate proceeded to consider the bill (S. 926) to authorize the Secretary of the Interior to construct, operate, and maintain the Ventura River reclamation project, California, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, on page 2, at the beginning of line 13, to insert "(including any development period)", so as to make the bill read:

Be it enacted, etc., That, for the purpose of supplying water for the irrigation of lands in Ventura County, Calif., and for municipal, domestic, and industrial use therein, and for other incidental beneficial purposes, the Secretary of the Interior is authorized to construct, operate, and maintain the Ventura River reclamation project comprising, as its principal works, Casitas Dam and Reservoir on Coyote Creek, Robles diversion dam on Ventura River, a canal to carry water from the Robles diversion dam to Casitas Reservoir, and other conduits and related facilities to deliver water to the lands and area to be served by the project.

SEC. 2. (a) In constructing, operating, and maintaining the Ventura River project, the Secretary shall be governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) except as is otherwise provided in this act.

(b) In furnishing water for irrigation and for municipal, domestic, and industrial uses from the Ventura River project the Secretary shall charge rates with the object of returning to the United States during a 50-year payment period (including any development period) all of the costs incurred by it in constructing, operating, and maintaining the project which the Secretary finds to be properly allocable to the purposes aforesaid and of interest, as hereinafter provided, on the portion of the construction cost which is allocated to municipal, domestic, and industrial water.

(c) Any contract entered into under section 9, subsection (d), of the Reclamation Project Act of 1939 (53 Stat. 1187, 1193, 43 U. S. C., sec. 485 (h)) for payment of those portions of the costs of constructing, operating, and maintaining the Ventura River project which are allocated to irrigation and assigned to be paid by the contracting organization may provide for the repayment of the portion of the construction cost of the project assigned to any project contract unit or, if the contract unit be divided into two or more irrigation blocks, to any such

block over a period of not more than 50 years or as near thereto as is consistent with the adoption and operation of a variable payment formula which, being based on full repayment within the period stated under normal conditions, permits variance in the required annual payments in the light of economic factors pertinent to the ability of the organization to pay.

(d) Notwithstanding any other provision of law to the contrary, all net revenues derived by the Secretary from the furnishing of water for municipal, domestic, and industrial use shall be applied first to the amortization of that portion of the cost of constructing the Ventura River project which is allocated to that purpose with interest on the unamortized balance thereof at the average rate (which rate shall be certified by the Secretary of the Treasury) paid by the United States on its marketable long-term securities outstanding on the date of this act and thereafter to the amortization of that portion of the cost of constructing the project which is allocated to irrigation but which is beyond the ability of the irrigation water users or their contracting organization to repay as provided above.

(e) The Secretary is authorized, subject to such rules and regulations as he may prescribe, to turn over to any contracting organization or to an organization which is designed by it for that purpose and which is satisfactory to the Secretary the care, operation, and maintenance of such portions of the Ventura River project as are used solely or principally for the benefit of that organization.

(f) Minimum basic facilities may be provided for the accommodation of the visiting public at Casitas Dam and, if responsible local interests agree to assume the operation and maintenance thereof, at the project reservoirs. The costs of such facilities shall be nonreimbursable.

SEC. 3. There is hereby authorized to be appropriated for construction of the Ventura River project the sum of $27,600,000 plus such amounts, if any, as may be required by reason of changes in construction costs as may be indicated by engineering cost indices applicable to the types of construction involved herein and, in addition thereto, such sums as may be required to operate and maintain the project.

Mr. KUCHEL. Mr. President, earlier today, during the call of the calendar, this bill was objected to by the majority policy committee. Because I would not want to have the bill discussed in the absence of the objecting Senator, I wonder if the acting majority leader and the acting minority leader would agree that the absence of a quorum might be suggested, so that the objecting Senator, with whom I have now communicated, will have an opportunity to come to the floor and to object to my bill if that is his wish.

Mr. BIBLE. Mr. President, I am very happy to do that. 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. BIBLE. 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. KUCHEL. Mr. President, I requested the acting majority leader to suggest the absence of a quorum, in order, as I previously informed the Chair, that the Senator from Illinois [Mr. DOUGLAS], who previously had interposed objection to the consideration of Senate bill 926, might return to the Chamber. I talked on the telephone with the Senator from Illinois, and told him that the bill would be taken up in a few moments and that I did not want it taken up in his absence.

Mr. CLEMENTS. Mr. President, will the Senator from California yield to me?

Mr. KUCHEL. I yield to my friend from Kentucky, the able acting majority leader.

Mr. CLEMENTS. I think it is the part of good judgment that we temporarily lay aside this measure—and I hope my friend, the Senator from California, will be in agreement with a unanimous-consent request to that effect which I shall make—and that we schedule the bill for consideration later this afternoon.

Mr. KUCHEL. Mr. President, in reply to the Senator from Kentucky, let me say I certainly shall not object. I may state that I dispatched one of the pages to the room of the committee in which the Senator from Illinois is in attendance, so that he might be doubly informed. However, I have no desire to have the bill taken up in his absence.

Therefore, Mr. President, on that basis I am glad to accede to the suggestion of the acting majority leader.

Mr. CURTIS. Mr. President, will the Senator from California yield to me?

Mr. KUCHEL. I yield to the able Senator from Nebraska.

Mr. CURTIS. I should like to inquire of the acting majority leader about Calendar No. 1077, Senate bill 1194, which is in the same category. During the call of the calendar, consideration of that bill was passed over, at the request of the Senator from Illinois.

Mr. CLEMENTS. I assure my friend, the Senator from Nebraska, that it is the intention of the acting majority leader to bring both measures to the floor. However, when we know that certain Members desire to be on the floor when such measures are taken up, I think it is only an act of common courtesy that we accede to their wishes, when possible.

Mr. CURTIS. Certainly.

Mr. CLEMENTS. I knew that was the attitude of my generous friend, the Senator from California, when I made the request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky that Calendar No. 1083, Senate bill 926, be temporarily laid aside? The Chair hears none, and it is so ordered.

ADDITIONAL FACILITIES FOR TRAINING OF RESERVE COMPONENTS OF THE ARMED FORCES

Mr. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1096, House bill 2107.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 2107) to amend the National Defense Facilities Act of 1950 to provide for additional facilities necessary for the administration and training of units of the Reserve components of the Armed Forces of the United States, and for other purposes.

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

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 2107) to amend the National Defense Facilities Act of 1950 to provide for additional facilities necessary for the administration and training of units of the Reserve components of the Armed Forces of the United States, and for other purposes, which had been reported from the Committee on Armed Services, with an amendment, to strike out all after the enacting clause and insert:

That the National Defense Facilities Act of 1950 (64 Stat. 829; 50 U. S. C. 881–886) is amended as follows:

(a) Section 3 is amended by deleting the phrase "in an amount not to exceed $250,000,000 over a period of the next 5 fiscal years" and by inserting in lieu thereof "in an amount not to exceed $500,000,000 over a period of the next 8 fiscal years commencing with fiscal year 1951."

(b) Subsection 3 (b) is amended to read as follows:

"(b) (1) contribute to any State such funds as he shall determine to be necessary to expand, rehabilitate, or convert facilities owned by such State to the extent required for the joint utilization of such facilities; and

"(2) contribute to any State such funds as he shall determine to be necessary to expand, rehabilitate, or convert facilities owned by such State to the extent made necessary, or to acquire, construct, expand, rehabilitate, or convert such additional facilities as he shall determine to have been made essential, by any conversion, redesignation, or reorganization of a unit or units of the National Guard of the United States or the Air National Guard of the United States requested or authorized by the Secretary of the Army or the Secretary of the Air Force, respectively."

(c) Subsection 4 (b) is amended by deleting the words "with regard" and substituting therefor the words "and shall have consented."

(d) Subsection 4 (c) is amended by inserting after the word "acquired" in line 7 thereof the words "by the United States."

(e) Subsection 4 (d) is amended to read as follows:

"(d) Each contribution made pursuant to section 3 (b) or 3 (c) of this act shall be subject to such terms and conditions as the Secretary of Defense, after consultation with the Armed Services Committees of the Congress, shall deem necessary to accomplish the purposes of this act: *Provided*, That except as agreed at the time the contribution is made the facilities provided through contributions made pursuant to section 3 (b) (2) or 3 (c) of this act shall be subject to joint utilization only to the extent deemed practicable by the State concerned. No contribution shall be made under section 3 (c) for any armory in an amount exceeding 75 percent of the cost of the additional or improved armories to be constructed: *And provided further*, That for the purpose of such computation the amount to be contributed by any State shall be exclusive of the cost or market value of any real estate which may be contributed by the State concerned for the purposes of section 3 (c) of this act."

(f) Section 6 is amended by (1) inserting immediately after "SEC. 6." the following: "(a)", and (2) adding at the end thereof the following new subsection:

"(b) All construction, expansion, rehabilitation, or conversion of facilities in each

State pursuant to section 3 (b) or (3) (c) of this act shall be done in accordance with the laws of such State and under the supervision of officials of such State, subject to the inspection and approval of the Secretary of Defense."

(g) Subsections 7 (b), (c), and (d) are redesignated subsections 7 (c), (d), and (e), respectively, and subsection 7 (b) is inserted to read as follows:

"(b) 'Armory' means a structure which houses a unit or units of a Reserve component and is used for the training and administration thereof, including such appurtenant structures as may house equipment used in the training and administration of such unit or units. All other facilities shall be considered nonarmory for the purposes of this act."

(h) Subsection 7 (d) as redesignated is amended to read as follows:

"(d) 'Reserve component' shall include:

"(1) The National Guard of the United States;

"(2) The Army Reserve;

"(3) The Naval Reserve;

"(4) The Marine Corps Reserve;

"(5) The Air National Guard of the United States;

"(6) The Air Force Reserve; and

"(7) The Coast Guard Reserve; and."

Mr. STENNIS. Mr. President, this bill has been reported from the Armed Services Committee, and I had the privilege of filing the report for the committee. In my opinion, the importance of the bill requires that a brief explanation of it be made.

Mr. President, the purpose of the bill is to provide additional authorization for the construction of armories, rifle ranges, airfields, training centers, and other facilities required for the training of the Reserve components of the Armed Forces.

The basic law on this subject is the National Defense Facilities Act of 1950, Public Law 783, of the 81st Congress. That act provided $250 million for use over the next 5 fiscal years commencing with fiscal year 1951. Appropriations totaling $235 million have been received against this authorization, leaving only $15 million of unfunded authorization. This sum is inadequate for the prosecution of the Reserve construction program for even the fiscal year 1956. The pending bill provides $250 million of additional authorization for this purpose, for use over a period of the next 3 fiscal years.

The seven Reserve components that benefit from this program are the National Guard, the Air National Guard, the Army Reserve, the Naval Reserve, the Marine Corps Reserve, the Air Force Reserve, and the Coast Guard Reserve.

The division of the authorization among the several Reserve components is to be as determined by the Secretary of Defense, after consultation with the Armed Services Committees, and as appropriations for this purpose are made by the Congress. The act authorizes three types of expenditures: First, the acquisition by the Federal Government of facilities necessary to accomplish the purposes of the act; second, contributions to States for the expansion and conversion of State-owned facilities that will be used jointly by Reserve components; and third, contributions to States for the acquisition of facilities that are necessary because of increases in the strength of the National Guard and the Air National Guard.

Prior to the enactment of the National Defense Facilities Act of 1950 the construction of armories for the National Guard had been financed entirely by the States. This act authorized a Federal contribution of 75 percent for the cost of these facilities, with this contribution to be augmented by a State payment of 25 percent of the cost. The amount contributed by the State is exclusive of the cost of real estate that must be contributed by the State. This 75 percent Federal contribution is a maximum and the Secretary of Defense can prescribe smaller Federal contributions if the circumstances so warrant.

The act prohibits the application of the construction authorization until the Secretary of Defense has determined, first, that the number of Reserve units proposed for the location involved is not in excess of the number that reasonably can be expected to be maintained at authorized strength after taking into consideration the number of persons residing in a community who are qualified for membership in the Reserve units; and second, that maximum practicable provision for joint utilization of the facilities to be constructed has been made.

Trained Reserve units and persons who can be readily mobilized and integrated into the active military forces are fundamental to our national defense system. The Congress is nearing completion of its consideration of the new Reserve bill, which will accentuate the need for providing additional authorization of this type. Facilities that have deteriorated or which provide a depressing environment and those that are ill adapted to Reserve force training functions or are otherwise inadequate cannot aid in stimulating or maintaining an effective and attractive Reserve training program. The Department of Defense considers an extension of this act to be clearly essential to a vigorous Reserve program.

After this bill had passed the House the Department of Defense requested certain amendments growing out of experience under Public Law 783 of the 81st Congress. These amendments were approved by the Bureau of the Budget and they have been adopted by the committee. The effect of the committee amendments is set forth in the committee report.

Mr. President, I shall be glad to attempt to answer any questions that Senators may have. If there are no questions I urge that the bill be passed.

Mr. CASE of South Dakota. Mr. President, I should like to emphasize the point which the distinguished chairman of the Armed Services Subcommittee on Real Estate and Military Construction has made, namely, the fact that this is a continuation of the existing program for the development of Reserve facilities.

Both Houses of Congress have now passed a bill to increase the Reserve forces of the United States. If they are to be increased, obviously there must be increased facilities for the training of the Reserve units. The big handicap of Reserve units heretofore has been the absence of adequate training facilities and the distances which some of the men had to travel if they were to engage in regular training.

A few years ago Congress established a program to provide facilities and to encourage the use of joint facilities. The authorization of that act has practically expired. This bill seeks to extend that authorization and carry forward that program. Legislation of this type is needed if the new Reserve training bill is really to become effective and accomplish any great improvement in the readiness of members of the Reserve components. Therefore, I heartily endorse and second the statement of the distinguished Senator from Mississippi in urging prompt passage of the bill.

Mr. STENNIS. Mr. President, I very much appreciate the remarks of the able Senator from South Dakota. He has a comprehensive knowledge of the bill. He worked upon it in committee. He knows its history, and he also knows the future requirements of the program if we are really to have a strong Reserve. It will require even more of a building program than this bill provides.

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

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

VENTURA RIVER RECLAMATION PROJECT, CALIFORNIA

Mr. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of Calender No. 1083, Senate bill 926, which was previously temporarily laid aside.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 926) to authorize the Secretary of the Interior to construct, operate, and maintain the Ventura River reclamation project, California.

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

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 on page 2, at the beginning of line 13, to insert "(including any development period)", so as to make the bill read:

Be it enacted, etc., That, for the purpose of supplying water for the irrigation of lands in Ventura County, Calif., and for municipal domestic, and industrial use therein, and for other incidental beneficial purposes, the Secretary of the Interior is authorized to construct, operate, and maintain the Ventura River reclamation project comprising as its principal works, Casitas Dam and Reservoir on Coyote Creek, Robles diversion dam on Ventura River, a canal to carry water from the Robles diversion dam to Casitas Reservoir, and other conduits and related facilities to deliver water to the lands and area to be served by the project.

SEC. 2. (a) In constructing, operating, and maintaining the Ventura River project, the Secretary shall be governed by the Federal

reclamation laws (act of June 17, 1902, 32 Stat. 388 and acts amendatory thereof or supplementary thereto) except as is otherwise provided in this act.

(b) In furnishing water for irrigation and for municipal, domestic, and industrial uses from the Ventura River project the Secretary shall charge rates with the object of returning to the United States during a 50-year payment period (including any development period) and all of the costs incurred by it in constructing, operating, and maintaining the project which the Secretary finds to be properly allocable to the purposes aforesaid and of interest, as hereinafter provided, on the portion of the construction cost which is allocated to municipal, domestic and industrial water.

(c) Any contract entered into under section 9, subsection (d), of the Reclamation Project Act of 1939 (53 Stat. 1187, 1193, 43 U. S. C. sec. 485 (h)) for payment of those portions of the costs of constructing, operating, and maintaining the Ventura River project which are allocated to irrigation and assigned to be paid by the contracting organization may provide for the repayment of the portion of the construction cost of the project assigned to any project contract unit or, if the contract unit be divided into two or more irrigation blocks, to any such block over a period of not more than 50 years or as near thereto as is consistent with the adoption and operation of a variable payment formula which, being based on full repayment within the period stated under normal conditions, permits variance in the required annual payments in the light of economic factors pertinent to the ability of the organization to pay.

(d) Notwithstanding any other provision of law to the contrary, all net revenues derived by the Secretary from the furnishing of water for municipal, domestic, and industrial use shall be applied first to the amortization of that portion of the cost of constructing the Ventura River project which is allocated to that purpose with interest on the unamortized balance thereof at the average rate (which rate shall be certified by the Secretary of the Treasury) paid by the United States on its marketable long-term securities outstanding on the date of this act and thereafter to the amortization of that portion of the cost of constructing the project which is allocated to irrigation but which is beyond the ability of the irrigation water users or their contracting organization to repay as provided above.

(e) The Secretary is authorized, subject to such rules and regulations as he may prescribe, to turn over to any contracting organization or to an organization which is designed by it for that purpose and which is satisfactory to the Secretary the care, operation, and maintenance of such portions of the Ventura River project as are used solely or principally for the benefit of that organization.

(f) Minimum basic facilities may be provided for the accommodation of the visiting public at Casitas Dam and, if responsible local interests agree to assume the operation and maintenance thereof, at the project reservoirs. The costs of such facilities shall be nonreimbursable.

SEC. 3. There is hereby authorized to be appropriated for construction of the Ventura River project the sum of $27,600,000 plus such amounts, if any, as may be required by reason of changes in construction costs as may be indicated by engineering cost indices applicable to the types of construction involved herein and, in addition thereto, such sums as may be required to operate and maintain the project.

Mr. KUCHEL. Mr. President, I am very glad that the objection which had been raised earlier by the Senator from Illinois [Mr. DOUGLAS] against Senate bill 926 has now been withdrawn. That is the information I have now received. I wish to make a very brief statement with respect to the proposed legislation, not so much because it is critically important to the people and the area which are encompassed in its provisions, but also because of the fact that an objection was made earlier to it, which in my judgment is completely unfounded.

Senate bill 926 was introduced by my colleague, the able minority leader of the Senate [Mr. KNOWLAND], and myself. It would authorize construction of the Ventura River reclamation project in California. The county of Ventura is located on the Pacific coast north of the county of Los Angeles, and south of the county of Santa Barbara.

The project would be under the jurisdiction of the Secretary of the Interior, acting through the Bureau of Reclamation. In essense, it is a multiple-purpose development to provide a regulated water supply for irrigation and municipal and industrial uses, with benefits to fish and wildlife, recreation, and flood control. Major construction work includes a reservoir on Coyote Creek, a tributary of the Ventura River in southern California, about 60 miles northwest of Los Angeles. The project lies in the valley of the Ventura River and its tributaries and includes a strip of land extending along the coast west of the city of Ventura.

Rapid expansion of population in recent years in the project area has accentuated the need for expansion of opportunities for agricultural and industrial developments.

It is true that we have seen throughout my State these last few years an amazing, almost unbelievable growth in population until California now has in excess of 13 million people. Ventura County is growing and is destined to continue to grow.

The climatic and scenic characteristics make the area attractive to permanent residents and tourists. Rainfall, however, is very erratic and during the growing season irrigation is essential to the specialty crops for which the area is suited.

Let me read from the report of the Senate Committee on Interior and Insular Affairs, which report was unanimously adopted, I may add, by all my brethren on the committee.

The project facilities that would be authorized for construction by the Secretary of the Interior, in addition to the 250,000 acre-foot Casitas Reservoir on Coyote Creek, are a diversion dam on the Ventura River, and the main conduit system consisting of 33 miles of pipelines, 7 pumping plants, and 6 balancing reservoirs. Surplus flows of Ventura River would be diverted through the Robles-Casitas Canal for storage and regulation in the Casitas Reservoir. Water would be released as required from the reservoir into the main conduit system for delivery to distribution systems. Some of the distribution facilities are existing. Others required would be constructed by the water users and would not be financed by Federal funds. Operation of the existing Matilija Reservoir located upstream on the Ventura River would be coordinated with operation of Casitas Reservoir.

Approximately 4,000 acres of land have been irrigated for many years under private enterprise, largely by ground-water pumping. These lands often experience serious shortages of water.

The city of Ventura has already outgrown its firm-water supply and its wells along the oceanfront are subject to salt-water intrusion. The proposed project would greatly aid the city's municipal water problem by conserving the unused runoff from Ventura River, thereby making an estimated 27,800 acre-feet annually available for project use. It is estimated that this supply will meet all needs of the area for a period of 50 years. In the neighborhood of 15,000 acre-feet of the regulated water supply would be used for irrigation. Municipal water use is expected to increase during the life of the project until at the end of the 50-year period 15,600 acre-feet would be needed. Encroachment of urban and industrial development upon the irrigated areas will account for a gradual decrease in irrigation water requirements.

The estimated cost of the Ventura River project is $27,669,000. These costs have been tentatively allocated by the Bureau of Reclamation as follows: Municipal and industrial water, $11,403,000; irrigation, $15,319,000; recreation, $169,000.

The remaining $778,000 is being contributed by the Ventura River Municipal Water District toward the cost of investigations and advance planning. This advance contribution is an indication of the strong local support for the project and of the sincerity of the local interest in sponsoring its construction.

The repayment plan will provide for repayment of the entire reimbursable cost in 40 years after a 10-year development period for irrigation. Testimony before the committee showed that the municipal and industrial water allocation will be repaid at 2½ percent interest in 40 years from revenues derived from the sale of water and from an ad valorem tax levy on all assessable property in the municipal water district.

A wide range of crops can be grown in the project area due to the long growing season and variations in climatic conditions dependent upon elevations and distances from the ocean. Much of the irrigated land is now in citrus-fruit orchards and other high value specialty crops. This same pattern will probably continue after the project is constructed thereby justifying the comparatively high cost of irrigation water.

The justification by the Bureau of Reclamation for construction of the Ventura project is supported by a calculation of a benefit-cost ratio from the national viewpoint of 4.25 to 1. Eliminating all indirect benefits the ratio would be 1.76 to 1.

The report of the project has been reviewed by officials of the State of California and Federal Government agencies concerned. The comments received were made a part of the official report and are of a generally favorable nature. The State of California concurs in the recommendations that the Ventura River project be adopted and approved and an appropriation made for its construction at the earliest possible date.

Mr. President, when the Commissioner of Reclamation, Mr. Dexheimer, appeared before the committee in support of the bill, he said, in part:

So this is, I am happy to report, one of the best, if not the best, project both from the angle of local support and prospects for payout, and it certainly is the best from the standpoint of benefit-cost ratio that we have had to propose to the Congress since I have been Commissioner.

That is an imposing statement. It was unsolicited. It is the official and the professional judgment of the head of the Bureau of Reclamation. "One of the best, if not the best, project" is the description of the Ventura River reclamation project by Commissioner Dexheimer.

That official judgment should be given great weight here in the Senate, as I am sure that it will. There is no solid ground, Mr. President, no logical basis, for objection to this proposed project.

I may say in that connection, that the overall benefit-cost ratio is exceptionally high. It is 4.25 to 1. The project encompasses approximately $27 million, all of which would be repaid, with the exception of about $167,000.

The people of the area, sensing the increasing need for assistance which the Federal Government could constitutionally give to them in this field, have formed a public district under the laws of my State, and have given to the Federal Government, by way of advance planning moneys, in excess of $750,000. That demonstrates the good faith of the people of the area.

I was delighted in the Subcommittee on Irrigation and Reclamation, of which of my able friend, the junior Senator from New Mexico [Mr. ANDERSON] was chairman, to find complete approval among all the members of the subcommittee, and thereafter to find exactly the same reception accorded the proposed legislation in the full committee.

The bill, therefore, comes to the floor without any opposition of any kind or character until the single objection was filed this afternoon.

I am glad to make this statement, so that the RECORD will be very clear, particularly in view of that tentative objection which had been made earlier today.

The Department of the Interior approves this bill. The Bureau of the Budget approves it. The State government of California has endorsed it. The people of Ventura County urgently need it now and for the future, and are willing to pay for it in accordance with Federal law. I am sure the Senate of the United States will pass it, and that is what I now respectfully ask be done.

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

Mr. KUCHEL. I yield.

Mr. ANDERSON. Was the benefit-cost ratio on the bill exceptionally high?

Mr. KUCHEL. I am glad to have the Senator ask that question, because it gives me an opportunity to reiterate that the overall benefit-cost ratio is 4.25 to 1. In the opinion of the Commissioner of Reclamation, this is one of the best projects which it has been his pleasure to bring before Congress.

Mr. ANDERSON. Perhaps we have hurried the bill a little bit. Certainly we could have taken more time to consider it. However, the number of times the committee has a chance to consider a bill with a benefit-cost ratio of 4 to 1 is very much limited; therefore, I was very glad to give support to this very good project.

Mr. KUCHEL. As I have done so many times during my short tenure in office in the Senate, I should like once again to express my thanks for the gracious treatment accorded me by the junior Senator from New Mexico. It is a sentiment in which, I am sure, my colleague joins me, and in which now the people of Ventura County, Calif., also join.

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

The amendment was agreed to.

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

CONSTRUCTION OF RED WILLOW DAM AND RESERVOIR, NEBR.

Mr. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1077, S. 1194.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1194) to provide for construction by the Secretary of the Interior of Red Willow Dam and Reservoir, Nebr., as a unit of the Missouri River Basin project.

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

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 Red Willow Dam and Reservoir, Nebr., a unit of the Missouri River Basin project (act of December 22, 1944, 58 Stat. 887, 891) shall be constructed, operated, and maintained by the Secretary of the Interior for the principal purposes of making available a regulated supply of water for irrigation and of assisting the control of floods.

SEC. 2. The Wilson Dam and Reservoir, Kans., also a unit of the Missouri River Basin project (act of December 22, 1944, aforesaid) shall be constructed, operated, and maintained by the Secretary of the Army for the principal purposes of flood control and assisting in making available a regulated supply of water for irrigation and low-flow regulation.

SEC. 3. Both the Secretary of the Interior and the Secretary of the Army shall cause these units of the Missouri River Basin project to be coordinated and integrated physically and financially, with the other Federal works constructed or authorized to be constructed under the comprehensive plans approved by section 9 of the act of December 22, 1944, aforesaid, as amended and supplemented.

SEC. 4. Notwithstanding any other provisions of this act, the Secretary of the Army shall, in the case of the Red Willow Dam and Reservoir, be responsible for flood-control regulation as provided in section 7 of the act of December 22, 1944, and the Secretary of the Interior shall, in the case of Wilson Dam and Reservoir, be responsible for the disposal of water for irrigation or space reserved for this purpose in accordance with the Federal reclamation laws.

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

The amendment was agreed to.

Mr. CURTIS. Mr. President, I thank the acting majority leader for bringing up S. 1194. The bill was reported favorably by the Committee on Interior and Insular Affairs, and is supported by the Bureau of Reclamation of the Department of the Interior, by the Corps of Army Engineers, and by the Bureau of the Budget.

I know of no objection to the bill. The Senator who previously had voiced an objection, has now withdrawn it.

This is in no way a new authorization. It transfers one project from the Bureau of Reclamation to the Army, and another project from the Army to the Bureau. The committee amendment is satisfactory, and I hope the Senate will pass the bill.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

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

The title was amended so as to read: "A bill to provide for construction by the Secretary of the Interior of Red Willow Dam and Reservoir, Nebr., and construction by the Secretary of the Army of the Wilson Dam and Reservoir, Kans., as units of the Missouri River Basin project."

TAX ON RECAPPING OF AUTOMOBILE TIRES

Mr. WELKER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a very enlightening letter which I received from Mr. Theodore T. Hardy, owner of Hardy Bros., Boise, Idaho, which is in the business of recapping automobile tires.

The letter refers to the fact that H. R. 7072 has been amended to provide a 15-cent-per-pound tax on camelback with a 6-inch crown width or larger.

I agree with Mr. Hardy that this seems to be a tax directed against the little person who must seek cheaper tires and who cannot afford to buy new tires.

I commend the reading of the letter to my colleagues.

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

BOISE, IDAHO, *July 22, 1955.*

Hon. HERMAN WELKER,
Member of Congress,
Senate Office Building,
Washington, D. C.

DEAR HERMAN: As of July 19, it is my understanding that H. R. 7072 has been changed so that there will be a 15-cent-per-pound tax on camelback with a 6-inch crown width or larger. This represents an increase in the cost of camelback, if collected at the source—i. e., the manufacturer—of 46½ percent. This, in turn, would cause an increase in the price of recaps of at least 40 percent on all truck tires size 825/20 or larger.

I am now, and always have been, an independent tire dealer; I own my own recapping plant and distribute new General tires. The results of a 15-cent-per-pound tax on camelback would make it almost prohibitive for me to continue in business.

We recap tires from the smallest passenger tire through tires size 2700/33 which are nearly 8 feet in diameter. The tax proposed as of July 19 would be grossly unfair from the following standpoints:

1. We would have to greatly increase the price of our recaps and thus decrease the savings to a truck operator between a new tire and a recapped tire to the place where it would be questionable for him to recap. If a customer would recap a tire and we charge and collect the additional amount due because of taxation, said customer will be in the unique position of a new type of taxation which will be taxation on a product upon which he has already paid one tax

when the tire was new. Should he recap the tire a second or third time, he would be taxed again on an item upon which he has already paid taxes. This, to my way of thinking, is very unjust taxation.

2. An independent tire dealer, as I have interpreted the bill, will pay the 15-cents-a-pound tax on camelback from his supplier. This leaves a company-owned store which manufactures its own camelback in the enviable position of never having to pay a penny on camelback tax until the camelback is used. In other words, the Firestone Co.-owned store, at 13th and Main, would have no inventory problems different than they now have; whereas, as an independent, my inventory will increase and require additional capital investment to pay the tax to my supplier. This could be most damaging to the future of independent business.

3. There is a great potential possibility of unfair competition even among independents in circumventing the tax on camelback. The cost of enforcing this particular provision of camelback tax, if properly enforced, would far exceed what should be considered a normal cost of collection by the Government. For instance, a tire that would require an 8-inch crown width of camelback could very easily, with an additional small amount of labor, be capped with two 4-inch widths of camelback. Such a dealer would then have a 46½ percent cost advantage over an honest dealer and could readily get away with it on cash deals.

4. We do a large amount of recapping on off-the-road type tires used in heavy construction which are never allowed on the highways, yet would be taxed. Is this fair?

5. It seems almost a surety that this country will lose a great many independent tire men that could keep the automobiles and trucks going in the case of an emergency which might again some day arise. Is it worth that price to put independent recapping out of business?

I would like to point out that the business of recapping is highly competitive as is the new tire business, to such an extent that many are making very little if any profit whatsoever. The addition of 46½ percent in the cost of raw material would make a most discouraging outlook for many independent tire dealers who want to live within the law. I would appreciate your consideration of this letter as I feel any tax whatsoever on a recap is taxation upon a service and as pointed out to you above, retaxation again and again.

Yours very truly,

HARDY BROS.,
THEODORE T. HARDY,
Owner.

THE SALK VACCINE

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the RECORD an effective allegorical article about the Salk vaccine, written by Mrs. Olga M. Wilson, and published in the Oregon State Grange Bulletin of July 5, 1955.

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

AND SO IT IS

(By Olga M. Wilson)

It came to pass that there was in our world a fine and rich country in which most of the people prospered and enjoyed abundant good health and knew well the joys of living. As is the wont of human beings who have been relieved of the compulsion to grasp and hold all that comes their way because there is never enough, and survival itself depends upon grasping and holding and never sharing, the people in this favored country, aware of the great suffering occasioned by the ravages of several diseases set about to alleviate this suffering and to stamp out the diseases. Many scourges fell before them—typhoid, malaria, smallpox, diphtheria, and, in a large measure, even tuberculosis. But one of the dread scourges they had not conquered was poliomyelitis.

For a time, during a difficult and trying period, this country came under the leadership of a kind and compassionate man who had suffered much from poliomyelitis, and along with the very great burden of leadership of this great Nation, he carried also the burden of this crippling paralysis. He had found great comfort and therapeutic value in the waters of a hot springs in a part of the country not too far from the Capital City, and often spent his vacation at this place.

It became known throughout this land that one of his fondest dreams was that he might provide room at this place for children who had had polio and who could not otherwise afford the treatments at the hot springs. He was not a very wealthy man and he, alone, was not able to provide this room. However, he was well aware of the great heart of the people in this land, so one year, at the time of his birthday, he gave his dream to them. He said, "This can be done for so little—if everyone who is interested would send just a dime to me on my birthday, several children could go to this hot springs for treatment."

When the people learned of this, great stacks of letters began to arrive at his home in the Capital City. In them were dimes, dimes, dimes—a veritable "March of Dimes." This great man was made happy by this response from the people, but the amount of money he received was so much more than he had hoped that he set up a foundation to administer the money for the good of all. And he said to the people, "This is your foundation."

The people said, "We will have this March of Dimes every year and we will pay for study and research and equipment and treatment, and we will end the terror of poliomyelitis."

And so for many years the people of this land, each year, in honor of the birthday of this great and good man who had suffered so much, and also out of their desire to stamp out the disease that caused so many people, especially children, to suffer so much, raised many, many millions of dollars to finance their great effort. Everyone took part; everyone gave. No home was too poor to find dimes for the March of Dimes. Enough money was given to take care of all the expensive medical care and physical therapy the victims of this disease needed—and the rest went into research to find a way to check this malady.

In many laboratories, financed by grants from this foundation, scientists worked on this puzzling problem. Each bit of data was shared, each step of progress was made known to all through the foundation and each contribution to the total knowledge of this awful disease brought the answer closer—and all of the people were glad, and rejoiced that their efforts were inexorably crushing this menace. It was given, finally, to a scientist whose name was Salk to find a vaccine that was effective in preventing people from contracting polio. True, it was not the final answer, but it was the first absolute proof that the right path had been found—and that poliomyelitis could be stamped out.

Throughout all this great and fortunate land, people felt a happy glow of pride. "See," they said, "because we have all worked together for the common good, we have accomplished this. We have beaten polio."

And it was good.

No voice was raised throughout all that vast land save in praise for the work all had done for the benefit of all.

All the mothers who had marched and rang doorbells, all the people who had manned collection booths or given "birthday balls" and even those who had just sent in their filled coin folders, had just assumed that when the vaccine was developed that it would belong to their polio foundation and would be made available to all on the same basis that all the expensive treatments needed for polio victims had been made available by the foundation.

But now they were told by those who had come recently into the leadership of the land, that this was bad. That they should now go on paying for the ravages already made by polio, and that they should go on paying for the additional research that must be made to finally perfect the vaccine, but that they must not give this vaccine to themselves. They must give the formulas to the pharmaceutical businesses which would manufacture the vaccine and sell it to the doctors of this land, who would then sell it to those people who could pay for it, and that the foundation must pay the doctors for the vaccine they gave those who could not pay.

But this was not what the people had meant at all. The mothers who marched, the entertainers who gave benefits, the schoolchildren who gave their pennies, had meant to wipe poliomyelitis from the face of the earth without favor to any. They were confused—and distressed.

RHESUS MONKEYS FROM INDIA

Mr. NEUBERGER. Mr. President, over the weekend formal announcements appeared in the press of a new agreement between India and the United States to keep shipments of rhesus monkeys on the way to this country for use in the Salk vaccine program.

I think it is ironic that the Senate voted so recently to curtail our economic assistance to India, exactly at the time that India has assured us of a further supply of rhesus monkeys.

Very few Americans realize that, without the rhesus monkeys, there would be no production whatsoever of Salk antipolio vaccine. Without the rhesus monkeys, there would be no accurate and conclusive testing of the vaccine for safety.

Many people of India regard the monkey as sacred. This may seem foolish to us, but Americans love their pets, such as dogs and cats and canaries, and this, in turn, might not seem understandable to citizens of other lands. Tolerance of each other's customs and traditions is part of international amity and understanding.

I regret that we have cut down our aid to India during a period when the Government of India has been willing to defy public opinion among its own people, in order to assure a continuing supply of the rhesus monkeys for the production and testing of a vaccine which is so essential to the health and well-being of the boys and girls of the United States.

I ask that several dispatches from British papers may appear with these brief remarks. One indicates that the cause of humanity is involved in the shipment from India of the rhesus monkeys. The cause of humanity also is involved, in my opinion, Mr. President, in our assisting the teeming millions of India to combat malnutrition, hunger, disease, infant mortality and other ills which plague that vast and overcrowded nation.

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

[From the Statesman of March 20, 1955]

APPEAL TO REVOKE BAN ON EXPORT OF MONKEYS—REPRESENTATIONS FROM BRITAIN AND UNITED STATES OF AMERICA

NEW DELHI, Saturday.—The Ministry of Commerce has been flooded with representations from Britain and America pleading with the Government to revoke the ban on the export of monkeys.

The representations mention that monkeys are required for research on polio and yellow fever. The cause of humanity is, therefore, invoked.

Inquiries show that the monkey business is being thoroughly investigated. The question facing the Ministry is: Are all the exported monkeys employed for research?

Suspicion has arisen because during the last four years exports have increased from about 15,000 to nearly 100,000 per year.

Some wonder whether the monkeys are not being employed for studying the effects of atom bomb fission or, worse still, for hydrogen bomb explosions.

Information is also eagerly sought on the question whether Indian monkeys are indispensable to the research. Is it not possible to secure African monkeys instead?

There is some doubt on the issue as African monkeys, it is said, do not respond readily to the yellow fever experiment, as they come from the yellow fever area.

The Ministry of Commerce has appointed an officer to deal specially with the subject of monkeys. He is already in correspondence with the Indian Embassy in Washington and the Indian High Commissioner in London which have been asked to keep track of the monkeys and assist the Government in collecting factual data for a correct assessment of the situation.

[From the Statesman of March 16, 1955]

CRUELTY TO MONKEYS—DELHI ASSEMBLY QUESTIONS

Some cases of monkeys meant for export being huddled together under unhygienic conditions have been brought to the notice of the Government, the Development Minister, Chaudhry Brahm Prakash, said in the Delhi State Assembly on Tuesday.

The Minister told Mr. Anand Raj Surana that cases of cruelty were dealt with by the SPCA. In some cases people had been challenged and fined.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House passed without amendment the following bills of the Senate:

S. 667. An act to exempt meetings of associations of professional hairdressers or cosmetologists from certain provisions of the acts of June 7, 1938 (52 Stat. 611), and July 1, 1902 (32 Stat. 622), as amended;

E. 2427. An act to provide for the payment of compensation to officers and members of the Metropolitan Police force, the United States Park Police force, the White House Police force, and the Fire Department of the District of Columbia, for duty performed on their days off, when such days off are suspended during an emergency; and

S. 2428. An act to increase the salaries of officers and members of the Metropolitan Police force, and the Fire Department of the District of Columbia, the United States Park Police, and the White House Police, and for other purposes.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 191) to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HARRIS, Mr. ABERNETHY, Mr. DAVIS of Georgia, Mr. SIMPSON of Illinois, and Mr. O'HARA of Minnesota were appointed managers on the part of the House at the conference.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, July 25, 1955, he presented to the President of the United States the following enrolled bills:

S. 741. An act to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 5 years;

S. 1177. An act for the relief of desert land entrymen whose entries are dependent upon percolating waters for reclamation; and

S. 1855. An act to amend the Federal Airport Act, as amended.

SUPPLEMENTAL APPROPRIATIONS, 1956

Mr. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1106, House bill 7278.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 7278) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

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

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. CLEMENTS. Mr. President, I ask unaimous consent that this bill, H. R. 7278, be taken up for consideration tomorrow immediately following the morning business.

The PRESIDING OFFICER. Without objection, it is ordered.

AUTHORIZATION FOR THE SECRETARY TO RECEIVE MESSAGES FROM THE HOUSE DURING ADJOURNMENT OF THE SENATE

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the Secretary be authorized to receive messages from the House of Representatives while the Senate is in adjournment following today's session.

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

ADJOURNMENT

Mr. CLEMENTS. Mr. President, in accordance with the provisions of the resolution adopted earlier today, I move that, as a further mark of respect to the memory of the late Cordell Hull, that the Senate now stand adjourned until noon tomorrow.

The motion was unanimously agreed to; and (at 3 o'clock and 40 minutes p. m.), the Senate adjourned until tomorrow, Tuesday, July 26, 1955, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 25, 1955:

The following-named persons to be representatives of the United States of America to the 10th session of the General Assembly of the United Nations, to serve no longer than December 31, 1955:

Henry Cabot Lodge, Jr., of Massachusetts.
Brooks Hays, of Arkansas.
Chester E. Merrow, of New Hampshire.
Dennis Joseph Roberts, of Rhode Island.
Colgate Whitehead Darden, Jr., of Virginia.

The following-named persons to be alternate representatives of the United States of America to the 10th session of the General Assembly of the United Nations, to serve no longer than December 31, 1955:

Robert Lee Brokenburr, of Indiana.
Laird Bell, of Illinois.
Jacob Blaustein, of Maryland.
James J. Wadsworth, of New York.
Mrs. Oswald B. Lord, of New York.

IN THE ARMY

Lt. Gen. Hobart Raymond Gay, O7323, Army of the United States (major general, U. S. Army), to be placed on the retired list in the grade of lieutenant general under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), Public Law 408, 82d Congress, Public Law 759, 80th Congress, and Public Law 36, 80th Congress, as amended by Public Law 37, 83d Congress:

To be captains

Gleason, Walter J., MSC, O996923.
Hoagland, Peter W., MC, O2263944.
Mendelson, Janice A., MC.

To be first lieutenants

Barnes, Joan A., WMSC, M2899.
Carleton, Jane A., WMSC, J100163.
Decker, Julia E., ANC, N806164.
Duffield, John R., MC, O4003831.
Henley, Stephen, MSC, O973459.
Jacox, Gilbert L., MSC, O1925716.
Kraemer, Vidalia L., ANC, N900337.
Leff, Arthur L., JAGC, O2270518.
Norton, Jack, JAGC, O987519.
Paradise, Leo J., MSC, O997955.
Richey, Eldred T., Jr., MC, O1941930.
Ryan, Patricia A., ANC, N804846.
Simmons, John L., MSC, O1876923.
Thompson, Calvin W., DC, O2104366.

To be second lieutenants

Anthony, Frances J., WMSC, R2661.
Campbell, William J., MSC, O1941403.
Damsbo, Ann M., WMSC, M2977.

The following-named persons for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to completion of internship:

Allen, John W.
Ford, Samuel M., O2211040.
Small, Harold S.

The following-named officer for appointment, by transfer, in the Judge Advocate General's Corps, Regular Army of the United States, in the grade specified:

To be first lieutenant

Mallonee, Paul G., O65832.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

To be first lieutenant

Hobbs, Donald I., O1877220.

To be second lieutenant

Proietto, Raymond T., O4009836.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Bartell, Harold T.	Leonard, John D.
Berger, Calvin A.	Lynch, Francis D.
Castiglia, Joseph J.	Manz, Robert D.
Cuthbertson, Robert J.	May, Curry J.
Dailey, Donas H., O4012031	Miller, Charles H.
	Pruden, Thomas E., Jr.
Dister, Arthur C., Jr.	Radford, James T.
Grether, Ralph W.	Sanford, William F.
Hawk, John A., Jr.	Stephens, George E.
Henry, Charles E.	Walker, Kenneth S.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Maggie C. Roney, Irvington, Ala., in place of M. G. Matlock, retired.

Lee J. Ledbetter, Troy, Ala., in place of S. H. Greene, retired.

ARIZONA

Erastus K. Slade, Eager, Ariz., in place of R. W. Burgess, resigned.

ARKANSAS

Ralph A. Morrison, Nettleton, Ark., in place of M. R. Hughes, retired.

Naomi Oleta Hixson, Paris, Ark., in place of R. C. Hixson, deceased.

Dillard H. Collins, Salem, Ark., in place of H. J. Humphries, resigned.

Victor L. Felley, Star City, Ark., in place of I. H. Steed, retired.

CALIFORNIA

Lionnel C. Davies, Foresthill, Calif., in place of L. M Costello, retired.

Robert J. Briggs, King City, Calif., in place of J. O. Davis, resigned.

George R. Austin, La Crescenta, Calif., in place of E. R. Lang, removed.

Otto K. Olesen, Los Angeles, Calif., in place of M. D. Fanning, removed.

Lyle C. Marshall, Magalia, Calif., in place of T. A. Van Metre, resigned.

Kenneth U. Brown, Monterey, Calif., in place of Boyd Beall, removed.

Edgar H. Miller, Redding, Calif., in place of J. V. Stanton, deceased.

FLORIDA

Donald A. Reeves, Baker, Fla., in place of T. J. Walker, Jr., transferred.

Ray L. Mercer, Bunnell, Fla., in place of H. M. Benson, deceased.

Walter K. Read, Ocala, Fla., in place of G. C. Woods, retired.

Herman L. Stokes, Okeechobee, Fla., in place of M. C. Pitts, resigned.

GEORGIA

Walker D. Burke, Jesup, Ga., in place of A. G. Williams, transferred.

James Harold Carlyle, Jr., Norcross, Ga., in place of Lida Simpson, deceased.

ILLINOIS

Samuel W. Goers, Altamont, Ill., in place of J. G. Rehwald, retired.

Earl F. Johnson, Buckley, Ill., in place of F. H. Asay, deceased.

Clyde C. Norton, Cordova, Ill., in place of A. J. Rogers, Jr., removed.

Francis J. Aydt, Dahlgren, Ill., in place of C. W. Karcher, deceased.

William M. Johnson, Granite City, Ill., in place of C. T. Heaton, removed.

William C. Kesselburg, Wauconda, Ill., in place of J. F. Carr, resigned.

INDIANA

Metallus G. Clay, Clear Creek, Ind., in place of Roy Dechard, retired.

Wallace L. Gilmore, Michigan City, Ind., in place of H. W. Ohming, deceased.

Donald Eugene Greenburg, Wolcott, Ind., in place of M. A. Dismore, retired.

IOWA

Bill N. Bench, Clarinda, Iowa, in place of G. B. Howell, removed.

KANSAS

Everett C. Campbell, Bethel, Kans., in place of V. L. Miller, deceased.

Wilma M. Sanburn, Milan, Kans., in place of A. E. Burton, resigned.

Harry E. Canfield, Mission, Kans., in place of C. C. Lemmon, resigned.

KENTUCKY

Acton R. Anderson, Mayfield, Ky., in place of P. R. Brown, deceased.

Edward L. Arterburn, Park City, Ky., in place of R. E. Doyle, removed.

Charles M. Carter, Jr., Scottsville, Ky., in place of J. P. Dodson, deceased.

LOUISIANA

Juanita F. Perret, Edgard, La., in place of B. J. Jacobs, retired.

Edwin A. O'Brien, Lafayette, La., in place of L. J. Guidry, transferred.

MAINE

Robert H. Morse, Old Orchard Beach, Maine, in place of J. H. McSweeney, deceased.

Paul C. Shaver, Stockton Spring, Maine, in place of C. M. Colcord, retired.

MICHIGAN

Clarence L. Meredith, Hudson, Mich., in place of J. N. Mulvenna, retired.

George P. Donner, Jr., Spring Lake, Mich., in place of W. A. Hammond, deceased.

MINNESOTA

Robert P. Clark, Cromwell, Minn., in place of Elizabeth Wright, retired.

MISSISSIPPI

James A. Fellows, McComb, Miss., in place of A. H. Jones, retired.

Ethelyn B. Weldy, McLain, Miss., in place of S. M. Lewis, retired.

Herman Alexander Smith, Ripley, Miss., in place of W. F. Henson, retired.

MISSOURI

Bertie M. Coon, East Lynne, Mo., in place of I. A. Stone, retired.

MONTANA

James P. Graham, Columbus, Mont., in place of P. F. Morrison, retired.

NEVADA

Frank M. Compston, Jr., Yerington, Nev., in place of H. W. Mildren, resigned.

NEW HAMPSHIRE

Rene R. Heroux, Berlin, N. H., in place of E. J. King, retired.

Allan D. Towers, Lincoln, N. H., in place of S. F. Downing, retired.

NEW JERSEY

William Henry Runyon, Elizabeth, N. J., in place of J. P. Leonard, retired.

Russell A. Brown, Morristown, N. J., in place of R. J. Noncarrow, retired.

Patrick J. Dolan, Ogdensburg, N. J., in place of L. A. Dolan, retired.

Raymond L. Sohl, Plainsboro, N. J., in place of M. H. Britton, retired.

Thomas J. Carey, Villas, N. J., in place of B. F. Erricson, retired.

NEW YORK

Doris M. Robinson, Comstock, N. Y., in place of T. C. Sullivan, retired.

Irwin H. Dent, Davenport, N. Y., C. A. Fisher, retired.

Richard Charles Rutland, Olcott, N. Y., in place of M. I. McKernan, resigned.

Wesley H. Kline, Sanborn, N. Y., in place of M. A. Barber, retired.

Roy E. Hodges, Spencer, N. Y., in place of H. F. Zimmer, transferred.

Beatrice V. Conway, Warners, N. Y., in place of A. M. Isbell, retired.

NORTH CAROLINA

Walter L. York, High Point, N. C., in place of S. C. Clark, retired.

Margaret E. Smith, Montreat, N. C., in place of J. C. Rice, retired.

Coy S. Lewis, Jr., Robbins, N. C., in place of G. E. Walker, deceased.

Marvin W. Thomas, Trenton, N. C., in place of C. C. Herritage, retired.

Josiah A. Maultsby, Jr., Whiteville, N. C., in place of A. E. Powell, retired.

NORTH DAKOTA

Floyd I. Ferguson, Oakes, N. Dak., in place of F. A. Gallagher, deceased.

OHIO

James Ralph Murlin, Celina, Ohio, in place of Charles Creeden, retired.

John J. Wald, Canal Winchester, Ohio, in place of V. L. Will, resigned.

Boyd C. Broka, Luckey, Ohio., in place of H. W. Myers, deceased.

Douglas L. Fry, Monroeville, Ohio, in place of G. H. Latham, transferred.

Albert F. Randolph, Summerfield, Ohio., in place of W. T. Warner, resigned.

OKLAHOMA

Jack S. King, Dustin, Okla., in place of O. H. Graham, retired.

Lester Woods, Guymon, Okla., in place of H. B. Cluck, transferred.

Jacob A. King, Paoli, Okla., in place of R. E. Hart, retired.

OREGON

Lyle B. Dannen, Halsey, Oreg., in place of J. W. Drinkard, retired.

George H. Carl, Oswego, Oreg., in place of M. B. Fievez, removed.

Wayne E. Dexter, Scappoose, Oreg., in place of J. J. Sheel, resigned.

PENNSYLVANIA

Robert G. Shaw, Brownfield, Pa., in place of Loma Gwynne, deceased.

Walter C. Herbert, Gladwyne, Pa., in place of Viola Coates, resigned.

James J. Martin, Jr., Jenkintown, Pa., in place of B. A. Devlin, deceased.

Robert R. Edgcomb, Knoxville, Pa., in place of E. P. Robbins, retired.

Paul C. Rupp, Pitcairn, Pa., in place of W. G. McCurdy, removed.

David M. Buckwalter, Stevens, Pa., in place of M. B. Weaver, resigned.

David Prekup, Vestaburg, Pa., in place of E. S. Rankin, resigned.

SOUTH CAROLINA

Rudolph B. Kirby, Olanta, S. C., in place of A. J. Ham, transferred.

Claire A. Reid, Richburg, S. C., in place of L. P. McCain, deceased.

SOUTH DAKOTA

Geneva E. Halls, Igloo, S. Dak., in place of Fred Coates, deceased.

TEXAS

Jack D. Cheek, Bullard, Tex., in place of O. L. Ferrell, retired.

Faye H. Traylor, New Waverly, Tex., in place of Mae Whitley, resigned.

Lester J. Fuzzell, Placedo, Tex., in place of S. R. Smajstrla, resigned.

VERMONT

William R. Ross, Fairlee, Vt., in place of B. B. Titus, retired.

VIRGINIA

Radford C. Montgomery, Buchanan, Va., in place of O. H. Brewbaker, retired.

Tecumseh S. Dalton, Pulaski, Va., in place of E. P. Whitman, retired.

WASHINGTON

Fred S. Hughes, Clarkston, Wash., in place of A. W. Wilson, retired.

John H. Bonus, Klickitat, Wash., in place of G. D. Scofield, resigned.

WISCONSIN

Harland H. Schmidt, Arlington, Wis., in place of A. J. Karth, resigned.

Helen G. Klus, Armstrong Creek, Wis., in place of H. M. Gannon, retired.

Martin N. Ross, Cambria, Wis., in place of A. G. Mohr, transferred.

George W. Gessert, Plymouth, Wis., in place of G. E. Schuler, resigned.

WYOMING

Harold C. Jones, Saratoga, Wyo., in place of E. K. Peck, retired.

Alven J. Reimer, Sundance, Wyo., in place of B. I. Frolander, retired.

CONFIRMATION

Executive nomination confirmed by the Senate July 25, 1955:

COLLECTOR OF CUSTOMS

William J. Nixon, of Idaho, to be collector of customs for customs collection district No. 33, with headquarters at Great Falls, Mont.

HOUSE OF REPRESENTATIVES

MONDAY, JULY 25, 1955

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou Lord God omnipotent, grant that the nations of the earth, drawn together by common perils and common hopes for peace, may continue to extend to one another the overtures of friendship and good will.

Wilt Thou give us the grace to hold to our highest ideals with perseverance and increasing tenacity and never break faith with them or let them go.

May we have the courage to launch out into enterprises and adventures for peace which heretofore we have not attempted or dreamed of.

Help men everywhere to rise to new visions of understanding and cooperation and resolve to live together in a spirit of love and brotherhood.

Grant that when we succeed in bringing our aspirations to fulfillment we may not be proud but thankful and when we fail may we not become sullen and rebellious but may our failures inspire us to carry on in humility and patience.

Hear us in Christ's name. Amen.

The Journal of the proceedings of Thursday, July 21, 1955, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment bills and concurrent resolutions of the House of the following titles:

H. R. 473. An act to authorize an investigation and report on the advisability of a national monument in Brooklyn, N. Y.;

H. R. 605. An act to provide for the abolition of the 80-rod reserve spaces between claims on shore waters in Alaska, and for other purposes;

H. R. 914. An act for the relief of Erika Marie Dietl and her two children, Caroline Dietl and Robert Dietl;

H. R. 932. An act for the relief of Ludwika Hedy Hancock (nee Nikolajewicz);

H. R. 1180. An act for the relief of Kimiko Sueta Thompson;

H. R. 1185. An act for the relief of Jose Domingo Quintanar;

H. R. 1302. An act for the relief of Adelheid Walla Spring;

H. R. 1304. An act for the relief of Mother Amata (Maria Cartiglia), Sister Ottavia (Concetta Zisa), Sister Giovina (Rosina Vitale), and Sister Olga (Calogera Zeffiro);

H. R. 1435. An act for the relief of Paul Compagnino;

H. R. 1436. An act for the relief of Ervin Benedikt;

H. R. 1439. An act for the relief of Menachem Hersz Kalisz;

H. R. 1458. An act for the relief of Rosa Edith Manns Monroe;

H. R. 1486. An act for the relief of Anna Anita Hildegard Sparwasser;

H. R. 1508. An act for the relief of Mrs. Mary Perouz Derderian Donaldson;

H. R. 1537. An act for the relief of Rogerio Santana de Franca;

H. R. 1668. An act for the relief of Frank Budman;

H. R. 1698. An act for the relief of Anne Cheng;

H. R. 1911. An act for the relief of Charlotte Schwalm;

H. R. 1927. An act for the relief of Ralph Michael Owens;

H. R. 1987. An act for the relief of Kimie Hayashi Crandall;

H. R. 1997. An act for the relief of Linda Beryl San Filippo;

H. R. 2059. An act for the relief of Edward Patrick Cloonan;

H. R. 2070. An act for the relief of Dr. Carlos Recio and his wife, Francisca Marco Palomero de Recio;

H. R. 2078. An act for the relief of Salvatore Cannizzo;

H. R. 2241. An act for the relief of Amalia Bertolino Querio;

H. R. 2242. An act for the relief of Kim Joong Yoon;

H. R. 2259. An act for the relief of Alessandra Barile Altobelli;

H. R. 2306. An act for the relief of Maria de Rehbinder;

H. R. 2307. An act for the relief of Julius, Ilona, and Henry Flehner;

H. R. 2313. An act for the relief of Mrs. Agnethe Gundhil Sundby;

H. R. 2315. An act for the relief of Antonio (Orejel) Cardenas;

H. R. 2735. An act for the relief of Inako Yokoo and her minor child;

H. R. 2738. An act for the relief of Teresa Jurjevic;

H. R. 2749. An act for the relief of George Risto Divitkos;

H. R. 2755. An act for the relief of Benjamin Johnson;

H. R. 2783. An act for the relief of Andrew Wing-Huen Tsang;

H. R. 2866. An act to declare a certain portion of the waterway (a section of the Acushnet River) in the city of New Bedford and the towns of Fairhaven and Acushnet, Mass., a nonnavigable stream;

H. R. 2944. An act for the relief of Franziska Lindauer Ball;

H. R. 2947. An act for the relief of Emelda Ann Schallmo;

H. R. 3048. An act for the relief of Assuntino Del Gobbo;

H. R. 3270. An act for the relief of Giuseppa Arsena;

H. R. 3354. An act for the relief of Julius G. Watson;

H. R. 3504. An act for the relief of Eveline Wenk Neal;

H. R. 3624. An act for the relief of Olga I. Papadopoulou;

H. R. 3625. An act for the relief of George Vourderis;

H. R. 3629. An act for the relief of Mrs. Nika Kirihara;

H. R. 3630. An act for the relief of Mrs. Uto Ginoza;

H. R. 3726. An act for the relief of Mr. Gino Evangelista;

H. R. 3864. An act for the relief of Mrs. Elizabeth A. Traufield;

H. R. 3871. An act for the relief of Orville Ennis;

H. R. 4044. An act for the relief of Burgal Lyden and others;

H. R. 4146. An act for the relief of Adelheid (Heidi) Giessner (nee Schega);

H. R. 4147. An act for the relief of Angelo DeVito;

H. R. 4198. An act for the relief of Howard L. Gray;

H. R. 4280. An act to direct the Secretary of Agriculture to release on behalf of the United States conditions in two deeds conveying certain submarginal lands to Clemson Agricultural College of South Carolina so as to permit such college, subject to certain conditions, to sell, lease, or otherwise dispose of such lands;

H. R. 4284. An act for the relief of Mrs. Mariannina Monaco;

H. R. 4289. An act for the relief of Vladislav Bevc;

H. R. 4362. An act to amend the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes," approved September 3, 195-;

H. R. 4455. An act for the relief of Christa Harkrader;

H. R. 4707. An act for the relief of Duncan McQuagge;

H. R. 4727. An act to permit the issuance of a flag to a friend or associate of the deceased veteran where it is not claimed by the next of kin;

H. R. 4747. An act to provide that reversionary interests of the United States in certain lands formerly conveyed to the city of Chandler, Okla., shall be quitclaimed to such city;

H. R. 5283. An act for the relief of Artur Swislocki or Arthur Svislotzki;

H. R. 6396. An act for the relief of Valerie Anne Peterson;

H. R. 6613. An act for the relief of Yuji Doi and Mrs. Matsuyo Yamaoka Doi;

H. Con. Res. 90—Concurrent resolution authorizing the preparation and printing of a report on the Prayer Room established in the Capitol; and

H. Con. Res. 148. Concurrent resolution authorizing the printing of additional copies of the hearings held by the Joint Committee on Atomic Energy on May 9, 1955, on "Radiation Sterilization of Foods."

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and concurrent resolutions of the House of the following titles:

H. R. 1034. An act for the relief of Erwin S. DeMoskonyi;

H. R. 1060. An act for the relief of Grace Casquite Hwang;

H. R. 1301. An act for the relief of Karlis Abele;

H. R. 1552. An act for the relief of Dalisay Lourdes Cruz;

H. R. 1958. An act for the relief of Ingeborg Luise Fischer;

H. R. 2065. An act for the relief of Sada Zarikian;

H. R. 2753. An act for the relief of Geraldine Gean Hunt and Linda Marie Hunt;

H. R. 2791. An act for the relief of Ofelia Martin;

H. R. 2851. An act to make agricultural commodities owned by the Commodity Credit Corporation available to persons in need in areas of acute distress;

H. R. 2972. An act to require the recordation of scrip, lieu selection, and similar rights;

H. R. 3189. An act for the relief of Dorothy Glaire Maurice;

H. R. 3507. An act for the relief of Luise Pempfer (now Mrs. William L. Adams);

H. R. 3628. An act for the relief of Luise Isabelle Chu, also known as Luise Schneider;

H. R. 3635. An act for the relief of Birgit Camara, also known as Birgit Heinemann;

H. R. 3786. An act to authorize the incorporation of Army and Navy Legion of Valor of the United States of America;

H. R. 3822. An act to amend title V of the Agricultural Act of 1949, as amended;

H. R. 4468. An act for the relief of Margarethe Bock and her son, Robert Harald Bock;

H. R. 6980. An act providing for the conveyance of the Old Colony project to the Boston Housing Authority;

H. Con. Res. 167. Concurrent resolution approving the granting of the status of permanent residence to certain aliens; and

H. Con. Res. 168. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1177. An act for the relief of desert land entrymen whose entries are dependent upon percolating waters for reclamation.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7224. An act making appropriations for mutual security for the fiscal year ending June 30, 1956, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HAYDEN, Mr. CHAVEZ, Mr. ELLENDER, Mr. HILL, Mr. CLEMENTS, Mr. BRIDGES, Mr. SALTONSTALL, Mr. KNOWLAND, and Mr. DIRKSEN to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 34) entitled "An act to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. O'MAHONEY, Mr. ANDERSON, Mr. NEUBERGER, Mr. WATKINS, and Mr. GOLDWATER to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 2168) entitled "An act to amend the Fair Labor Standards Act of 1938 in order to increase the national minimum wage, and for other purposes"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. DOUGLAS, Mr. NEELY, Mr. KENNEDY, Mr. SMITH of New Jersey, and Mr. GOLDWATER to be the conferees on the part of the Senate.

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. 19. An act for the relief of Vladimir Landow and Irina Landow;

S. 189. An act for the relief of Manuel Rodrigues;

S. 194. An act for the relief of Dr. and Mrs. Hsi-Lin Tung;

S. 204. An act for the relief of Fred P. Hines;

S. 213. An act for the relief of Mrs. Ingeborg C. Karde;

S. 218. An act for the relief of the town of Clayton, N. Mex.;

S. 223. An act for the relief of Mary Frieda Poeltl Smith;

S. 235. An act for the relief of Melanie Schaffner Baker;

S. 293. An act for the relief of Miss Cecile Patricia Chapman;

S. 332. An act for the relief of Hava Shpak, A. A. Shpak, and Sympcha Shpak;

S. 393. An act for the relief of Chieko Suzuki;

S. 411. An act for the relief of Beri Denovi;

S. 425. An act for the relief of Anthony A. Ballora;

S. 509. An act for the relief of Dolores Maria Gandiaga, nee Seijo;

S. 518. An act for the relief of Elsa Alwine Larsen;

S. 592. An act for the relief of Chia-Yi Jen (also known as Charles Jen);

S. 608. An act for the relief of Catherine Samouris;

S. 610. An act for the relief of Mary Ishii;

S. 695. An act for the relief of Cirilo Jose;

S. 696. An act for the relief of Topacio Tapawan;

S. 753. An act for the relief of George Roland Lavoie;

S. 762. An act for the relief of Vaclav Majer, Irma Majer, and Vaclav Majer, Jr.;

S. 763. An act for the relief of Chocura Yoshida;

S. 836. An act for the relief of Wong Nan Ling and Wong Nan Fee;

S. 843. An act for the relief of Gerda Graupner;

S. 884. An act for the relief of Gabor Lanyi;

S. 893. An act for the relief of Dr. Klaus Hergt;

S. 910. An act for the relief of Lino Perez Martinez;

S. 963. An act for the relief of Mr. and Mrs. Andrej (Avram) Gottlieb;

S. 997. An act to provide punishment for certain confidence-game swindles;

S. 1012. An act for the relief of Juan Jose Moya Ramirez;

S. 1036. An act for the relief of Gust Kostas Kountoupis;

S. 1042. An act for the relief of Angel Feratero Madayag;

S. 1068. An act for the relief of Mareanthe Baicou;

S. 1082. An act for the relief of Ramon Notario Boytell;

S. 1085. An act for the relief of Maria de las Nieves Dufurrena;

S. 1128. An act for the relief of Angel Castanedo Del Llano;

S. 1130. An act for the relief of Theresa Yik Mun Woo;

S. 1142. An act for the relief of Arthur Sew Sang, Kee Sew Wong, Sew Ing Lin, Sew Ing Quay, and Sew Ing You;

S. 1212. An act for the relief of Dr. Lincoln Roy Manson-Hing;

S. 1253. An act for the relief of Peter Skole;

S. 1266. An act for the relief of Helene Margareta Jobst;

S. 1298. An act for the relief of Pericles G. Callimanopoulos and his family;

S. 1322. An act for the relief of Maria Ioannou Karvelis and her three minor daughters, Martha, Karvelis, Boeleta Karvelis, and Euterpi Karvelis;

S. 1406. An act for the relief of Katharina Steinbach;

S. 1417. An act for the relief of Hong Ban, also known as George Mon;

S. 1438. An act for the relief of Corazon A. Manayan;

S. 1474. An act for the relief of Valdis Mikelsons;

S. 1477. An act for the relief of Clorinda Perri Sturino;

S. 1493. An act for the relief of Dorin Ursulesku Baron;

S. 1496. An act for the relief of Ruriko Hara;

S. 1503. An act for the relief of Harold George Jackson;

S. 1504. An act for the relief of Yee Loy Foo, also known as Loy Foo Yee, or Ted Yee;

S. 1534. An act to facilitate the construction of drainage works and other minor items on Federal reclamation and like projects;

S. 1563. An act for the relief of Elidora Yanguas Perez;

S. 1612. An act for the relief of Miss Young Hi Yun;

S. 1615. An act for the relief of Hilde Schiller;

S. 1621. An act to authorize adjustment by the Secretary of Agriculture of certain obligations of settlers on projects developed or subject to the act of August 11, 1939, as amended, and for other purposes;

S. 1681. An act for the relief of Cecile Doriac and her minor child;

S. 1716. An act for the relief of Cheuk Wa Leung and his wife, Camilla Ying Ling Leung;

S. 1851. An act to direct the Secretary of the Army to convey certain land to Mary Ann Aust;

S. 1899. An act to authorize the improvement of the Amite River and its tributaries;

S. 1915. An act to provide for further effectuating the act of May 15, 1862, through the exchange of employees of the United States Department of Agriculture and employees of State political subdivisions or educational institutions;

S. 1974. An act for the relief of Rosa Birger;

S. 2029. An act to change the name of Hulah Reservoir above Hulah Dam, Caney River, Okla. and Kans., to Lake O' the Osages;

S. 2049. An act to provide recognition of the 50th anniversary of the Devils Tower National Monument, Wyo., the first national monument established by the President of the United States pursuant to the Antiquities Act of 1906; to authorize the addition of certain land to the monument, to permit land exchanges, and for other purposes;

S. 2081. An act to amend the Veterans' Readjustment Assistance Act of 1952 to provide that education and training allowances paid to veterans pursuing institutional on-farm training shall not be reduced for 12 months after they have begun their training;

S. 2093. An act to authorize the Secretary of the Army, acting through the Corps of Engineers, to undertake certain public works and grant compensation for certain property damages as a result of the construction of the Oahe, Gavins Point, and Fort Randall Dams and Reservoir projects, Missouri River;

S. 2145. An act for the relief of George Poulio;

S. 2170. An act to permit sale of Commodity Credit Corporation stocks of basic and storable nonbasic agricultural commodities without restriction where similar commodities are exported in raw or processed form;

S. 2260. An act granting the consent of Congress to the States of Arkansas, Louisiana, Oklahoma, and Texas to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Red River and its tributaries;

S. 2269. An act for the relief of Mualla S. Holloway;

S. 2270. An act for the relief of Nadia Noland and Samia Ouafa Noland;

S. 2277. An act authorizing the Administrator of General Services to convey certain land to the city of Sioux Falls, S. Dak., for park and recreational purposes, for an amount equal to the cost to the United States of acquiring such lands from the city;

S. 2295. An act to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments;

S. 2296. An act to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments;

S. 2297. An act to further amend the Agricultural Adjustment Act of 1938, and for other purposes;

S. J. Res. 73. Joint resolution to establish a commission to formulate plans for a memorial to Frankin Delano Roosevelt; and

S. Con. Res. 44. Concurrent resolution to erect on the Capitol Grounds a memorial bell tower in memory of Robert A. Taft.

MUTUAL SECURITY APPROPRIATION ACT, 1956

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7224) making appropriations for mutual security for the fiscal year ending June 30, 1956, and for other purposes, with Senate amendments thereto, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. GROSS. Mr. Speaker, reserving the right to object, it is my understanding that the managers on the part of the House will do their very best to see that the amount put in the bill by the Senate will be stricken?

Mr. PASSMAN. I can assure the gentleman that will be the disposition of the House conferees.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. PASSMAN, GARY, ROONEY, CANNON, FERNANDEZ, LANHAM, NATCHER, DENTON, TABER, WIGGLESWORTH, FENTON, FORD, and HAND.

PURCHASE OF BONDS TO COVER POSTMASTERS, OFFICERS, AND EMPLOYEES OF THE POST OFFICE DEPARTMENT AND MAIL CLERKS OF THE ARMED FORCES

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4778) to provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department and mail clerks of the Armed Forces, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request to the gentleman from Tennessee? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. MURRAY of Tennessee, MORRISON, and REES of Kansas.

ROBERT A. TAFT MEMORIAL

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (S. Con. Res. 44) to erect on the Capitol Grounds a memorial bell tower in memory of Robert A. Taft.

The SPEAKER. Is there objection to the request of the gentleman from Ohio.

There was no objection.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Robert A. Taft Memorial Foundation is authorized to erect on the Capitol Grounds, and present to the Congress of the United States, a memorial bell tower of appropriate design dedicated to the memory of Robert A. Taft. Such memorial shall be equipped with bells and shall be erected on the site described as square 633 on the drawing of the Architect of the Capitol. Such site is located just below the Fountain Plaza area, and lies between New Jersey Avenue on the east, Constitution Avenue on the south, C street on the north, Louisiana Avenue diagonally on the northwest, and First Street on the west.

SEC. 2. The design and plans for the erection of such memorial shall be subject to the approval of the Architect of the Capitol, with the advice of the Commission of Fine Arts, and such memorial shall be erected without expense to the United States.

SEC. 3. The authority granted by the first section of this act shall cease to exist unless (a) within 1 year after the passage of this concurrent resolution the plans for such memorial have been presented for the approval of the Architect of the Capitol, and within 3 years after such approval, the erection of such memorial has commenced, and (b) the Architect of the Capitol finds that, prior to the commencement of the erection of such memorial, sufficient funds are available to insure its completion.

SEC. 4. After the completion of the memorial according to the approved plans and specifications, it shall be accepted on behalf of the people of the United States by the Congress and thereafter shall be maintained by the Congress as part of the Capitol Grounds.

The resolution was agreed to; and a motion to reconsider was laid on the table.

ONE HUNDRED SEVENTY-FIFTH ANNIVERSARY OF THE ESTABLISHMENT OF THE CONSTITUTION OF THE COMMONWEALTH OF MASSACHUSETTS

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Con. Res. 193) commemorating the 175th anniversary of the establishment of the Constitution of the Commonwealth of Massachusetts.

The Clerk read the resolution, as follows:

Whereas the 175th anniversary of the establishment of the constitution of the Commonwealth of Massachusetts will occur on October 25, 1955; and

Whereas there are embodied in this constitution cultural, social, and legal principles which form a major part of the proud heritage of the Commonwealth of Massachusetts; and

Whereas the people of the other States of the Union share with the people of Massachusetts the blessings of a society founded upon these principles; and

Whereas the importance in these troubled times of keeping alive in the Nation and in the world the tradition of courage, the love of freedom, and the consideration of one's fellow man, which are embodied in the historic document upon which representative government was founded in Massachusetts: Now, therefore be it

Resolved by the House of Representatives (the Senate concurring), That the Congress extends its felicitations to the Commonwealth of Massachusetts on the 175th anniversary of the establishment of its constitution, and expresses the gratitude of the American people for the part played by the early statesmen of Massachusetts in building the foundations which have served the Commonwealth and the Republic so well.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, 175 years ago this year the Constitution of the Commonwealth of Massachusetts was adopted. That great document became effective on October 25, 1780. On that day John Hancock officially became governor and the first general court—legislature—met in Boston.

Massachusetts is today the only State in the Union still governed under its original constitution which has endured chiefly because of its broad provisions and flexible character.

There have been constitutional conventions since 1780—more than 70 amendments have been made to the Massachusetts constitution—but the general plan of Government it established is still in operation.

Taken as a whole, it may be confidently said that the history of no other community is more striking than our own commonwealth.

The great lessons it teaches us are confidence in the integrity of the people and their capacity for self government; confidence in religious principle, which is the safeguard of liberty.

Our State constitution was the first such document to establish the principle of the separation of powers of the various branches of Government. It contains assurance of the protection of inalienable rights.

The committee of 30, to whom was referred the work of preparing a plan and form of government, entrusted this task to a subcommittee consisting of James Bowdoin, John Adams and Samuel Adams; who in turn committed the responsible task to John Adams alone. His draft of the framework was substantially adopted by the subcommittee, and afterward, slightly altered by the full committee, was offered for consideration to the convention.

The results of the labors of the convention were chiefly as John Adams had blocked them out and it would appear by

every rightful title he can be declared the father of our State constitution.

A Declaration of Rights precedes the framework of the constitution. The people of Massachusetts were peculiarly sensitive on this subject. It is to our distinct advantage that our ancestors deemed it of first importance to declare certain fixed principles—certain natural rights—as necessary safeguards in a document which would guarantee lasting liberty. Other sections of this written instrument would almost appear as outworks—the Declaration of Rights is the citadel. The life of constitutional liberty is there. Good words are great things to a free people.

The framework of the Massachusetts constitution as it came from the hands of the committee of 30 underwent but few changes in the substance. The final accepted document attained the purpose of three distinctive and coordinate functions of government—balancing and checking each other. Confusion of legislative, executive and judicial functions which had existed in other governing documents in other lands were rejected.

During the 175 years which have elapsed the three branches of government of our great commonwealth and the people themselves have acted in good faith toward our constitution. Steadiness and intelligence have marked the relations within our State. These characteristics reflect honor upon those who so wisely framed this document.

The character of our commonwealth has been exemplary. There has been no abandoning or dropping below the criterion established by the founders.

Secure in its tradition of democracy, strengthened by its extraordinary cultural resources, enriched by its industries and the workers who man them, the commonwealth looks back with pride upon the events of the year 1780. We look forward with prayerful determination to a future in which democratic processes, as set forth so wisely in our constitution, continue to insure ever greater opportunities for its people.

The resolution was agreed to; a motion to reconsider was laid on the table.

THE LATE CORDELL HULL

The SPEAKER. The Chair at this time will recognize the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Speaker, divine providence has willed that the greatest champion of the cause of world peace of our generation be called to rest and enduring peace.

The news of the passing of Judge Cordell Hull came on Saturday last, just as the Geneva conference concluded its deliberations.

We are all fully aware of the news and greatly saddened by it—saddened to learn of the passing of this distinguished and eminent statesman of Tennessee.

As the Representative of the district where Judge Hull was born and lived and which he represented in Congress so long and ably and with such great distinction, it is my sad duty to formally announce to the Members of the House his passing at 9 o'clock, July 23, at the Naval Medical Center, at Bethesda, Md.

The passing of Judge Hull will be received with sadness in this body and in the Senate, where his devoted duty can never be surpassed—in his native State of Tennessee, the Nation, and throughout the free world.

Judge Hull was truly a man of national and international stature and we realize that in his passing a towering oak of our generation has fallen.

The silence which has overtaken this great and vital heart and voice for amity and peace will be felt wherever human dignity and liberty have true worth.

The life and career of Judge Hull can never be fully emulated, but it can serve as an inspiration to the youth of our country who possess ambition for a life of devoted and dedicated service to his fellow man. Judge Hull served successively as soldier, legislator, judge, Congressman, United States Senator, Secretary of State, and world diplomat.

Judge Hull was born on October 2, 1871, in then Overton but now Pickett County in the upper Cumberland section of Tennessee.

As a youth, Cordell Hull built through work a strong body which, in later years, he was able to draw upon as a great reserve of strength.

After graduating from Tennessee's famed Cumberland University School of Law, he entered upon a career of public service which took him to the greatest heights of achievement and world acclaim.

He was elected to the Tennessee Legislature—the general assembly of my State—before he was 21 years of age. After serving two terms as a State representative in Nashville, he was appointed circuit judge of Tennessee's fifth judicial circuit.

He was subsequently reelected judge and served on the bench for a period of 12 years.

In 1906 Cordell Hull was elected to Congress from the Fourth District of Tennessee. He served 24 yars in Congress—22 in this body and 2 years in the Senate.

His service in the Senate was cut short because of his appointment as Secretary of State by President Franklin D. Roosevelt.

As Secretary of State, Judge Hull served from March 1933 to November 1944—in three administrations, and held this post longer than any other man in the Nation's history. He retired as Secretary of State because of declining health in the dark days of World War II.

The world knows that his accomplishments have been many and great.

Judge Hull was the author of the good-neighbor policy through which pan-American amity has grown and increased.

He devoted himself untiringly to the development of nonpartisanship in promotion of this Nation's foreign policy.

He was the author of the reciprocal trade agreements law, which bears his name—designed to promote the widest possible commerce and trade among nations of the world and to foster better understanding as a true deterrent to war.

His great work in the development of the United Nations as an organization for promoting understanding and cooperation rightfully brought to him recognition as the "father of the United Nations."

He contributed greatly to raising the standards of international morality and conduct which is of utmost importance if nations are to live together in peace and friendship.

In 1945 Judge Hull was awarded the Nobel peace prize—among the many distinguished service awards granted to him during his lifetime.

Throughout his great career of public service and noted accomplishments, Judge Hull maintained always his great affection for and interest in his native Tennessee.

In turn the people of my State loved, esteemed, and revered Judge Hull as a fellow Tennessean.

Although a great destiny directed his life so that he could walk with kings, the essence of his nature was such that he never lost the common touch—and therein lies the ingredient which motivated and inspired the deep affection of his friends whose roots are embedded, as were his, in the hills of the Cumberland region of Tennessee.

In the passing of Cordell Hull, Tennessee, the Nation, and the free world have suffered a tremendous loss. I have lost a great and beloved friend whose counsel will be greatly missed.

Judge Hull's place in history is indelibly written. He has pointed the way—a course that if followed will bring for mankind an enduring peace—the achievement of which was the devoted purpose of the life of Cordell Hull.

I yield to my colleague, the dean of the Tennessee delegation [Mr. COOPER].

Mr. COOPER. Mr. Speaker, it is with very deep regret that I have heard that my warm friend and distinguished fellow Tennesseean, the Honorable Cordell Hull, has passed away.

It was my privilege to serve for one term in the House of Representatives with Mr. Hull before he went to the Senate. I worked with him and enjoyed a very warm friendship with him for many years. I always helped to lead the fight for his reciprocal trade agreements program, which I think is one of the greatest measures ever enacted by Congress.

Mr. Hull was a man of the very highest character and integrity, very great ability, and demonstrated devotion to the public service. He stood out in bold relief as one of the greatest statesmen of the world. His record of most distinguished service and oustanding accomplishments will forever stand as a great inspiration to those who follow after him. I join with all the people of Tennessee as well as the Nation and the free people of the entire world in mourning his passing.

Mr. EVINS. Mr. Speaker, I yield to my colleague [Mr. PRIEST].

Mr. PRIEST. Mr. Speaker, on the roster reserved for the truly great statesmen of all ages will now be added the name of Cordell Hull.

In his youth this stalwart son of the Volunteer State looked unto the hills from whence he drew his strength. He grew and matured, mentally and morally, as tall and straight as the sturdy

pines that crown the peaks of the Cumberland Mountains.

On the principles of reciprocal trade and the good neighbor policy he laid the foundation of the 10-year-old United Nations. As we and future generations continue to erect on that foundation the superstructure of this world organization, we can build well and wisely if we keep close to the fundamental philosophy of Cordell Hull.

As a Member of this House and of the Senate, and Secretary of State during the most turbulent period of history, his achievements speak with more profound meaning than words can convey.

His character, his integrity, and his deeds are his own eulogy.

While the Nation and the world mourns his passing, the people of Tennessee are bowed in deepest grief over the passing of the State's foremost son, who was revered and loved with a deep affection from the mountains to the Mississippi, and who was known to most of them as Judge Hull.

Mr. EVINS. Mr. Speaker, I yield to the distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, the people of America and the world, and parliaments and chancellories everywhere, recognize in the passing of Cordell Hull a deep loss to mankind. This global sense of bereavement is mitigated by the fact that this distinguished American, at 83, had completed his work and that he died full of honors and years, carrying with him the admiration of such men as I am addressing in this House, and statesmen in just about all the capitals of the world. And people everywhere, in Latin America, in the Far East, in Europe, not only in our own time, but for all history, will forever see in this Tennessee American; something of the true heart of America: Its neighborliness, its fairness, its generosity, and its pervading and irrevocable sense of right. Wherever Cordell Hull went, in person, by policy, or by negotiation, in the treaties that he developed, and, above all, in his direct contacts, he carried with him the indefinable aura of integrity.

Yet, Mr. Speaker, for me there is something intimate, something of Cordell Hull himself in his continuing and personal friendship with me over the years, that makes it especially fitting for me to rise in this company and pay him tribute. I hold it one of the great honors of my long public life to have toiled beside this selfless patriot through the dark hours of world crisis when he was the Secretary of State and I happened to be the majority leader in this House. The passing of no statesman other than Franklin Delano Roosevelt himself could compress so much of the meaning of the war years and the peace years from 1933 to 1944 as the death of Cordell Hull. Not only his remarkable official career culminating in the award to him of the Nobel peace prize in 1945, but also his personal life and his distinctively rugged and forthright personality identified him with the very inner spirit of America. And that is what the world saw and that is what so greatly impressed people everywhere. Thus the United States presented in him the very best side of the American folk to the outside world. From Cordell Hull this held overwhelming weight because he carried with him American policy at the highest level.

It is hardly necessary for me in this place to draw out the long list of achievements on the world scale in which Cordell Hull was a participant and which helped to carry this Nation to triumph on home ground and in foreign fields. I cannot imagine an American better fitted by the nature of his speech or his directness and sense of righteous anger to meet with the Japanese Kuruso during the tragic hour of the attack on Pearl Harbor. It is a vignette of history that must live for all time, not too significant in itself, but how precisely characteristic. Here was the Cordell Hull who personified urbanity itself, transformed into a blast of fire and fury. It exactly fittted the outraged mood of the Nation so that what he said seemed to be exactly the words and the tone of the American people.

For me, watching him for so long at close hand, Cordell Hull will go down in history as an architect of the constructive project, and the indefatigable and effective master of the world striving for peace. For who more than he made a practical and a working job out of President Roosevelt's good-neighbor policy? He gave it meaning through his unending toil for trade agreements that put the breath of life and the strength of business and profit in international relationships. For Cordell Hull was, among his other great qualities, practical and sound and saw friendship among nations not as an ideal expressed in a great document merely, but as a workable and rational tool for mutual cooperation in the areas of everyday life.

Heavy with years and the great burdens that had taken his strength, he nevertheless flew to Moscow in October 1943 for the overwhelming job of bringing the United Nations to reality, jointly with the other statesmen of the world.

As a Secretary of State, Cordell Hull will brighten the galaxy of such predecessors in that office as Thomas Jefferson and Edmund Randolph, Daniel Webster and Calhoun, William Seward, Elihu Root, and Henry L. Stimson. He was involved with the greatest issues of the world in his time and to all of them he gave the fight, the justice, the integrity that will make Americans always proud he was one of us.

Mr. EVINS. Mr. Speaker, I yield to the gentleman from Tennessee [Mr. FRAZIER].

Mr. FRAZIER. Mr. Speaker, I was distressed and grieved to learn of the death on Saturday morning of the Honorable Cordell Hull.

I have known Cordell Hull probably longer than any Member of this House. In 1903 my father, then Governor of Tennessee, appointed him judge of the Fifth Circuit Court of Tennessee, where he served with great distinction until his election to the House of Representatives. Judge Hull often said that appointment gave him his real start in political life. He came to the House in 1907 and served here for 22 years, leaving the House in 1931 upon his elcction as a Member of the United States Senate from Tennessee. He resigned from the Senate in March 1933 to become Secretary of State where he served for 12 years until his resignation in December 1944, having served longer than any other Secretary of State.

It is needless for me to undertake to recite to you who are familiar with his record, the outstanding service he rendered this Nation. History will record his great accomplishments. Sufficient to say he was one of our greatest statesmen. As Secretary of State he was recognized and lauded throughout the world. But there was one characteristic that stood out through his entire life. No matter to what heights of greatness he rose, he was always loyal to his friends.

Peace-loving people of the free nations of the world have benefited because he lived—and they will join all Tennesseans in mourning his passing. This Nation has lost another of its greatest men.

Mr. EVINS. Mr. Speaker, I yield to the gentleman from Tennessee [Mr. MURRAY].

Mr. MURRAY of Tennessee. The State of Tennessee never produced a greater or more renowned statesman than Cordell Hull. Our State has lost its most famous and distinguished son and our Nation has lost one of its foremost leaders of modern history. His was a long, constructive, and useful life, full of accomplishments. He began life as an obscure farm boy and served as a soldier in the Spanish-American War. A circuit judge in Tennessee, a Member of both the House and the Senate in the Congress and as Secretary of State of the United States for a longer period than any other occupant of this high office.

He was the father of our income and inheritance laws, of our reciprocal-trade program, our good-neighbor policy with the pan-American countries, and of the United Nations. He also served as Democratic national chairman for 2 years.

His ill health, brought upon by his arduous and confining duties as Secretary of State, forced him to resign. In 1945 he was awarded the Nobel peace prize.

It was my pleasure to know him well personally and I had the honor in the 1928 National Democratic Convention in Houston, Tex., to which I was a delegate from Tennessee, of casting my ballot for him for the Democratic nomination for President of the United States. When he was a candidate for United States Senator from Tennessee in 1930 I had the privilege of accompanying him on many visits to towns in west Tennessee, where I reside.

Words are inadequate to fully and properly pay tribute to his skill, his vision, courage, simplicity, devotion to duty, his championship of peace, his integrity, his patriotism, and his forthrightness. His many good deeds and achievements will live on and on and will stand as a lasting monument to his revered memory. His many virtues will not be forgotten.

Mr. EVINS. Mr. Speaker, I yield to the gentleman from Tennessee [Mr. BASS].

Mr. BASS of Tennessee. Mr. Speaker, very few men in public life can be referred to as truly great statesmen. Cordell Hull was such a man. America probably has never produced a public servant more dedicated to his country or his fellow man.

We in Tennessee are proud of the record of Cordell Hull. We take great pride in the fact that he came from and represented the great Volunteer State in the Nation's Capital. However, we realize that Judge Hull rose to such heights in public life that he is claimed and loved, not just by Tennessee, but by all America.

As we in America are faced with surmounting international problems, the diplomatic service of Cordell Hull might well serve as an inspiration. Certainly the twinkling light of hope for the future receives its power from the dynamo of the past. Therefore, in this day of working for peace throughout the world, I trust that our leaders in international affairs will use the example of Cordell Hull, the father of the United Nations, as a guiding light for the future.

Mr. EVINS. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may be permitted to extend their remarks at this point in the RECORD on the life and career of Cordell Hull.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. RAYBURN. Mr. Speaker, Cordell Hull was one of the greatest Americans it has ever been my privilege to know. Secretary of State longer than any other man in history, he made a record in that office that has never been surpassed. I miss him more because he was one of my oldest and dearest friends. America and the world have suffered a tremendous loss.

Mr. RABAUT. Mr. Speaker, I join my colleagues in paying tribute to the great gentleman from Tennessee, the late statesman and patriot, the Honorable Cordell Hull. That his loss is universally mourned there is no doubt; for there are many in this hemisphere alone who are enjoying a better way of life as a result of his far sighted statesmanship.

It was my privilege to work closely with Secretary Hull while serving as chairman of the subcommittee on appropriations for the Department of State. The occasions on which the business of government brought us together has afforded me the fondest memories of having associated with one of the truly great architects of our democratic way of life.

We all know of his guiding genius to consolidate our western hemispheric defenses as early as 1936, when, with President Roosevelt, he concluded the Buenos Aires Pact which implemented our good-neighbor policy. His foresight in this area of international relations greatly served to alleviate our military concern in this hemisphere during World War II.

He will undoubtedly always be remembered as the father of the enlightened principles of reciprocal trade. He clearly recognized that where there is economic stagnation there is also the fertile breeding ground for radical political enterprise. History has ably substantiated his premises.

It is significant that his passing comes at a time when the leaders of the world were at conference in the hope of establishing the means by which their fundamental differences may be worked out. The forum in which they met was instituted by his work at Dumbarton Oaks and the spirit of his genius for working for peace was one of the main cornerstones upon which the edifice of the United Nations was erected.

He was a loyal and devoted member of our Democratic Party and lent his unswerving patience to the tasks that confronted our great Nation in a dire period of peril. The unprecedent length of service as Secretary of State during these tremulous times will long be a landmark of unselfish public service.

Our country has lost a great citizen.

Mr. DAVIS of Tennessee. Mr. Speaker, I reverently join with my colleagues from Tennessee and the many others who have already spoken on the passing of former Secretary of State, Cordell Hull.

His life, from a very humble beginning, has already been thoroughly discussed. His service as a Member of this House and of the United States Senate and later as longtime Secretary of State was truly an expression of distinguished public service. Truly he gave everything he had to advance his country, received its honors in life and was awarded the Nobel Prize for his international efforts. Known as the Father of the United Nations and the creator of the Reciprocal Trade Treaty philosophy, he was known as an outstanding Tennessean, a great American and was respected throughout the world.

I knew him to be a very human man. Some years ago I spent a few days in the naval hospital and my room was immediately across from the one he occupied. Feeling hesitant to visit him, I was delighted to have a message one morning that he desired to talk with me. For many days thereafter I called at about the same time and I learned to know him better and to appreciate his quiet, dry humor and his devotion to friends. We chatted on those occasions about many things and when we had our unfortunate incident in the House March 1st, a year ago, he called to express his deep concern about all of us and was solicitous about my own personal welfare. Men who are truly great show the characteristics of greatness in many little and simple things.

I shall always remember my visits with him and will appreciate forever having known him more intimately in those days.

ARMY AND NAVY LEGION OF VALOR OF UNITED STATES OF AMERICA

Mr. FRAZIER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3786) to authorize the incorporation of Army and Navy Legion of Valor of United States of America, 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 the following persons, to wit: James G. Walsh, Distinguished Service Cross, 50 Patten Street, Jamaica Plains, Mass.; Robert G. Woodside, Distinguished Service Gross, 3858 First Avenue South, St. Petersburg, Fla.; Deming Bronson, Congressional Medal of Honor, route 2, box 322, Roseburg, Oreg.; George E. Parker, Jr., Distinguished Service Cross, Lutherville, Md.; Leo L. Zingale, Distinguished Service Cross, 3612 East 117th Street, Cleveland, Ohio; John Davis, Congressional Medal of Honor, 800 North Shore Drive, St. Petersburg, Fla.; Glen O. McEwen, Distinguished Service Cross, box 737, Spokane 3, Wash.; Ben Prager, Distinguished Service Cross, 316 Court House, Pittsburgh, Pa.; Earle D. Norton, Distinguished Service Cross, 29 Broadway, New York, N. Y.; Ray Eastman, Navy Cross, 396 LaSalle Avenue, Buffalo 15, N. Y.; Ben Neff, Distinguished Service Cross, 208 Evanston Building, Minneapolis, Minn.; Warren L. Granger, Navy Cross, 703 16th Street, Alexandria, Va.; William Oliver Smith, Distinguished Service Cross, 917 Holt Drive, Raleigh, N. C.; Robert M. Gaynor, Distinguished Service Cross, 621 South Taylor Street, Arlington, Va.;Leon M. Hanna, Distinguished Service Cross, box 217, McHenry, Ill.; Bruno O. Forsterer, Congressional Medal of Honor, Walker Street, Oakland, Calif.; Elmer R. Hangartner, Distinguished Service Cross, 2103 Lynn Avenue, Altoona, Wis.; Thomas Eadie, Congressional Medal of Honor, 120 Gibbs Avenue, Newport, R. I.; John D. Hawk, Congressional Medal of Honor, 3243 Solie, Bremerton, Wash.; Leon A. Dombrowski, Distinguished Service Cross, 137 Highland Drive, Williamsville, N. Y.; William C. Hardie, Distinguished Service Cross, post-office box 1396, Billings, Mont.; E. Lee Henderson, Navy Cross, 10948 Fruitland Drive, North Hollywood, Calif.; Othel J. Gee, Distinguished Service Cross, 416 Medical Arts Building, Oklahoma City, Okla.; Leslie Hardy, Distinguished Service Cross, 1021 East Sierra Vista, Phoenix, Ariz.; A. Allen Johnson, Distinguished Service Cross, 953 Dixwell Avenue, New Haven, Conn.; Dennis C. Turner, Distinguished Service Cross, 1008 Missouri Avenue, Houston, Tex.; Columbus Whipple, Distinguished Service Cross, 2704 Brinker Avenue, Ogden, Utah; John D. Licklider, Distinguished Service Cross, 229 Woodrow Avenue, Martinsburg, W. Va.; Murray Wolffe, Navy Cross, 240 Gregory Avenue, Passaic, N. J.; Williard H. Marshall, Distinguished Service Cross, 31 West Whitney Street, Sheridan, Wyo.; Peter Paul Martinek, Navy Cross, 1731 South Brand Boulevard, Glendale, Calif.; Lucian Adams, Congressional Medal of Honor, 213 Santa Clara Street, San Antonio, Tex.; and Edgar H. Bain, post-office box 2, Goldsboro, N. C., and their successors, are hereby created and declared to be a body corporate of the District of Columbia, where its legal domicile shall be, by the name of the Army and Navy Legion of Valor of the United States of America, Inc. (hereinafter referred to as the "'corporation"), and by such name shall be known and have perpetual succession and the powers, limitations, and restrictions herein contained.

"COMPLETION OF ORGANIZATION

"SEC. 2. The persons named in the first section of this act are authorized to complete the organization of the corporation by the selection of officers and employees, the adoption of a constitution and bylaws, not inconsistent with the provisions of this act, and the doing of such other acts as may be necessary for such purpose. Five of such persons shall constitute a quorum for the purposes enumerated in this section.

"PRINCIPLES AND OBJECTS OF CORPORATION

"SEC. 3. (a) The principles underlying the corporation are patriotic allegiance to the United States of America, fidelity to its Constitution and laws, the security of civil liberty, and the permanence of free institutions.

"(b) The objects of the corporation are, to cherish the memories of the valiant deeds in arms for which the Congressional Medal of Honor, the Distinguished Service Cross, and the Navy Cross are the insignia; to promote true fellowship among its members; to advance the best interests of members of the Armed Forces of the United States of America; to extend all possible relief to needy members of the corporation, their widows, and children; and to stimulate patriotism in the minds of our youth by encouraging the study of the patriotic, military, and naval history of our Nation.

"CORPORATE POWERS

"SEC. 4. The corporation shall have power—

"(1) to have succession by its corporate name;

"(2) to sue and be sued, complain, and defend in any court of competent jurisdiction;

"(3) to adopt, use, and alter a corporate seal;

"(4) to charge and collect membership dues;

"(5) to adopt, amend, and alter a constitution and bylaws, not inconsistent with the laws of the United States or any State in which the corporation is to operate, for the management of its property and the regulation of its affairs;

"(6) to contract and be contracted with;

"(7) to take by lease, gift, purchase, grant, device, or bequest from any private corporation, association, partnership, firm, or individual and to hold any property, real, personal, or mixed, necessary or convenient for attaining the objects and carrying into effect the purposes of the corporation, subject, however, to applicable provisions of law of any State (A) governing the amount or kind of property which may be held by, or (B) otherwise limiting or controlling the ownership of property by, a corporation operating in such State;

"(8) to transfer, convey, lease, sublease, encumber, and otherwise alienate real, personal or mixed property; and

"(9) to borrow money for the purposes of the corporation, issue bonds therefore, and secure the same by mortgage, deed of trust, pledge, or otherwise, subject in every case to all applicable provisions of Federal and State laws.

"PRINCIPAL OFFICE; SCOPE OF ACTIVITIES; DISTRICT OF COLUMBIA AGENT

"SEC. 5. (a) The principal office of the corporation shall be located in Pittsburgh, Pa., or in such other place as may later be determined by the board of directors, but the activities of the corporation shall not be confined to that place and may be conducted throughout the various States, Territories, and possessions of the United States.

"(b) The corporation shall have in the District of Columbia at all times a designated agent authorized to accept service of process for the corporation; and notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed notice to or service upon the corporation.

"MEMBERSHIP; VOTING RIGHTS

"SEC. 6. (a) All persons of good moral character who are, have been, or may become members of the Armed Forces of the United States or any foreign country of whatever rank, who have received or who may hereafter receive a Congressional Medal of Honor, a Distinguished Service Cross, or a Navy Cross awarded for acts of extraordinary heroism in connection with military or naval operations against an armed enemy, or for heroism of a specially distinguished character, shall be eligible for active membership in the corporation.

"(b) The corporation shall have the power, moreover, to extend eligibility for membership, either active or associate, to parents and lineal descendants of the persons described in subsection (a) of this section under such conditions and upon such terms as the corporation may specify in its constitution and bylaws.

"(c) Each member of the corporation, other than associate members, shall have the right to one vote on each matter submitted to a vote at all meetings of the members of the corporation.

"(d) Notwithstanding the limitations set out in subsections (a) and (b) of this section, any member in good standing of the corporate body referred to in section 16 of this act shall be admitted on request to comparable membership in the corporation created by this act.

"BOARD OF DIRECTORS: COMPOSITION; RESPONSIBILITIES

"SEC. 7. (a) Upon the enactment of this act the membership of the initial board of directors of the corporation shall consist of the present officers of the Army and Navy Legion of Valor, referred to in section 16 of this act, or such of them as may then be living and are qualified officers of that corporation, to wit: William Oliver Smith, of Raleigh, N. C.; Peter Paul Martinek, of Glendale, Calif.; Lucian Adams, of San Antonio, Tex.; Edgar H. Bain, of Goldsboro, N. C.; and Ben Prager, of Pittsburgh, Pa., who are respectively, the commander, the senior vice commander, the junior vice commander, the chaplain, and the adjutant and quartermaster.

"(b) Thereafter, the board of directors of the corporation shall consist of such number (not less than 10), shall be selected in such manner (including the filling of vacancies), and shall serve for such terms as may be prescribed in the constitution and bylaws of the corporation.

"(c) The board of directors shall be the governing board of the corporation and shall, during the intervals between corporation meetings, be responsible for the general policies and program of the corporation. The board shall be responsible for all finances of the corporation.

"OFFICERS; ELECTION OF OFFICERS

"SEC. 8. (a) The officers of the corporation shall be a commander, a senior vice commander, a junior vice commander, a chaplain, an adjutant and quartermaster, a judge advocate, an inspector, a surgeon, a historian, and such aides-de-camp as may be provided in the constitution and bylaws.

"(b) The officers of the corporation shall be elected in such manner and for such terms and with such duties as may be prescribed in the constitution and bylaws of the corporation.

"USE OF INCOME; LOANS TO OFFICERS, DIRECTORS, OR EMPLOYEES

"SEC. 9. (a) No part of the income or assets of the corporation shall inure to any member, officer, or director, or be distributable to any such person otherwise than upon dissolution or final liquidation of the corporation as provided in section 15 of this act. Nothing in this subsection, however, shall be construed to prevent the payment of compensation to officers of the corporation in amounts approved by the executive committee of the corporation.

"(b) The corporation shall not make loans to its officers, directors, or employees. Any director who votes for or assents to the making of a loan to an officer, director, or employee of the corporation, and any officer who participated in the making of such loan, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

"NONPOLITICAL NATURE OF CORPORATION

"SEC. 10. The corporation, and its officers and directors as such, shall not contribute to or otherwise support or assist any political party or candidate for public office.

"LIABILITY FOR ACTS OF OFFICERS AND AGENTS

"SEC. 11. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

"PROHIBITION AGAINST ISSUANCE OF STOCK OR PAYMENT OF DIVIDENDS

"SEC. 12. The corporation shall have no power to issue any shares of stock or to declare or pay any dividends.

"BOOKS AND RECORDS; INSPECTION

"SEC. 13. The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors, and committees having any authority under the board of directors; and it shall also keep at its principal office a record of the names and addresses of its members entitled to vote. All books and records of the corporation may be inspected by any member entitled to vote, or his agent or attorney, for any proper purpose, at any reasonable time.

"AUDIT OF FINANCIAL TRANSACTIONS

"SEC. 14. (a) The financial transactions shall be audited annually, at the end of the fiscal year established by the corporation, by an independent certified public accountant in accordance with the principles and procedures applicable to commercial corporate transactions. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositors, fiscal agents, and custodians shall be afforded to such person or persons.

"(b) A report of such audit shall be made by the corporation to the Congress not later than 6 months following the close of such fiscal year for which the audit is made. The report shall set forth the scope of the audit and shall include verification by the person or persons conducting the audit of statements of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus or deficit analysis, (4) income and expense, and (5) sources and application of funds. Such report shall not be printed as a public document.

"USE OF ASSETS ON DISSOLUTION OR LIQUIDATION

"SEC. 15. Upon final dissolution or liquidation of the corporation, and after discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets of the corporation may be distributed in accordance with the determination of the board of directors of the corporation and in compliance with the constitution and bylaws of the corporation and all Federal and State laws applicable thereto.

"TRANSFER OF ASSETS

"SEC. 16. The corporation may acquire the assets of the Army and Navy Legion of Valor of the United States of America, Incorporated, a body corporate organized under the laws of the State of New York, upon discharging or satisfactorily providing for the payment and discharge of all of the liabilities of such State corporation and upon complying with all the laws of the State of New York applicable thereto.

"RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

"SEC. 17. The right to alter, amend, or repeal this act is expressly reserved."

Amend the title so as to read: "An act to incorporate the Army and Navy Legion of Valor of the United States of America."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. GROSS. Reserving the right to object, Mr. Speaker, what is the purpose of this bill? Will it charter some organization?

Mr. FRAZIER. This bill would authorize the incorporation of the Army and Navy Legion of Valor of the United States of America, which is composed of men who have received the Congressional Medal of Honor and other medals awarded by our Nation for their valor.

Mr. McCORMACK. If the gentleman will yield, I may say that I introduced the bill for the organization. Only men who have received the three highest medals conferred by our Government can be members of this organization.

Mr. GROSS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendment was agreed to; and a motion to reconsider was laid on the table.

AMENDING SECTION 1233 OF THE INTERNAL REVENUE CODE OF 1954

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 6263) to amend section 1233 of the Internal Revenue Code of 1954 and section 117 (1) of the Internal Revenue Code of 1939, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. COOPER]?

Mr. JENKINS. Mr. Speaker, reserving the right to object, and I shall not object, I understand the distinguished gentleman from Tennessee [Mr. COOPER] has 5 or 6 bills, all of which have passed the Committee on Ways and Means unanimously after thorough consideration. I hope that they will all be passed by unanimous consent by the House this morning.

Mr. Speaker, I ask unanimous consent to extend my remarks following the passage of each bill and also the same privilege be granted each member of the Committee on Ways and Means.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. COOPER]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 1233 of the Internal Revenue Code of 1954 is amended by adding at the end thereof a new subsection as follows:

"(f) Arbitrage operations in securities: In the case of the closing of a short sale which had been entered into as an arbitrage operation, to which sale the rule of subsection (b) (2) would apply except as otherwise provided in this subsection—

"(1) subsection (b) (2) shall apply first to substantially identical assets acquired for arbitrage operations held at the close of business on the day such sale is made, and only to the extent that the quantity sold short exceeds the substantially identical assets acquired for arbitrage operations held at the close of business on the day such sale is made, shall the holding period of any other such identical assets held by the taxpayer be affected:

"(2) in the event that assets acquired for arbitrage operations are disposed of in such manner as to create a net short position in assets acquired for arbitrage operations, such net short position shall be deemed to constitute a short sale made on that day;

"(3) for the purpose of paragraphs (1) and (2) of this subsection the taxpayer will be deemed as of the close of any business day to hold property which he is or will be entitled to receive or acquire by virtue of any other asset acquired for arbitrage operations or by virtue of any contract he has entered into in an arbitrage operation; and

"(4) for the purpose of this subsection arbitrage operations are transactions involving the purchase and sale of assets for the purpose of profiting from a current difference between the price of the asset purchased and the price of the asset sold, and in which the asset purchased, if not identical to the asset sold, is such that by virtue thereof the taxpayer is, or will be, entitled to acquire assets identical to the assets sold. Such operations must be clearly identified by the taxpayer in his records as arbitrage operations on the day of the transaction or as soon thereafter as may be practicable. Assets acquired for arbitrage operations will include stocks and securities and the right to acquire stocks and securities."

SEC. 2. Section 1 of this act shall apply only with respect to taxable years beginning after December 31, 1953, and ending after August 16, 1954.

SEC. 3. Section 117 (1) of the Internal Revenue Code of 1939 is amended by adding at the end thereof a new paragraph as follows:

"(4) Arbitrage operations in securities: In the case of the closing of a short sale which had been entered into as an arbitrage operation, to which sale the rule of paragraph (1) (b) would apply except as otherwise provided in this paragraph—

(A) paragraph (1) (b) shall apply first to substantially identical assets acquired for arbitrage operations held at the close of business on the day such sale is made, and only to the extent that the quantity sold short exceeds the substantially identical assets acquired for arbitrage operations held at the close of business on the day such sale is made, shall the holding period of any other such identical assets held by the taxpayer be affected;

"(B) in the event that assets acquired for arbitrage operations are disposed of in such manner as to create a net short position in assets acquired for arbitrage operations, such net short positions shall be deemed to constitute a short sale made on that day;

"(C) for the purpose of subparagraphs (A) and (B) of this paragraph, the taxpayer will be deemed as of the close of any business day to hold property which he is or will be entitled to receive or acquire by virtue of any other assets acquired for arbitrage operations or by virture of any contract he has entered into in an arbitrage operation; and

"(D) for the purpose of this paragraph arbitrage operations are transactions involving the purchase and sale of assets for the purpose of profiting from a current difference between the price of the asset purchased and the price of the asset sold, and in which the asset purchased, if not identical to the asset sold, is such that by virtue thereof the taxpayer is, or will be entitled to acquire assets identical to the assets sold. Such operations must be clearly identified by the taxpayer in his record as arbitrage operations on the day of the transaction or as soon thereafter as may be practicable. Assets acquired for arbitrage operations will include stocks and securities and the right to acquire stocks and securities."

SEC. 4. Section 3 of this act shall apply in the case of a short sale of property made by the taxpayer after September 23, 1950.

With the following committee amendment:

Strike out line 10 on page 3 and all that follows through line 10 on page 5 and insert in lieu thereof the following:

"SEC. 2. The amendment made by the first section of this act shall apply only with respect to taxable years ending after the date of the enactment of this act and only in the case of a short sale of property made by the taxpayer after such date."

The committee amendment was agreed to.

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

The title was amended so as to read: "A bill to amend section 1233 of the Internal Revenue Code of 1954."

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, as you will recall, the Revenue Act of 1950 enacted special provisions relating to short sales which were designed to prevent the artificial conversion of short-term gains into long-term gains and long-term losses into short-term losses. This was accomplished by two rules. The first provided that if on the date of the short sale the taxpayer had held substantially identical property for less than 6 months or where such property was acquired after the short sale but before it was closed then any gain from the closing of such sale was considered a short-term gain.

The second rule which complemented the first provided that the holding period of substantially identical property was, with certain exceptions, to be considered as starting on the date of the closing of the short sale.

The second of these rules has operated to cause hardship in cases where a person engaging in arbitrage operations in securities has held property in an investment account which was substantially identical to that used in the arbitrage operations.

Revenue ruling 154 (1953–2 CB 173) describes these arbitrage operations and holds them to be short sales in the following language:

Certain bonds traded in on the New York Stock Exchange are convertible, at the option of the holder, into common stock of the issuing corporation. The market price of the bonds tends to fluctuate in direct relation to the market price of the stock. At times, however, there is a slight difference in the relative market prices of the bonds and stock. When the price of the bonds is down, in relation to the price of the stock, members of the Exchange buy the bonds at the market price and as nearly simultaneously as possible sell the stock into which the bonds are convertible. The bonds purchased are then converted and the stock so received is used to close the sale. These transactions are known as arbitrage operations. Held,

sales of stock in the manner described constitute short sales within the purview of section 117 (l) of the Internal Revenue Code.

Therefore, if the taxpayer holds securities for investment purposes and during the holding period of such securities makes short sales of substantially identical property in arbitrage operations, the application of the short sales rules results in the loss of the original holding period of the investment securities. To remedy this situation H. R. 6263 provides that the short sale rules are not to apply to property held for investment purposes if the taxpayer engages in bona fide arbitrage operations under the conditions set forth in the bill.

This bill was ordered unanimously reported by the Ways and Means Committee. I urge the adoption of the bill by the House.

Mr. JENKINS. Mr. Speaker, H. R. 6263, which was introduced by my distinguished colleague from New Jersey [Mr. KEAN], amends section 1233 of the Internal Revenue Code of 1954, relating to gains and losses from short sales. The bill provides that the rules of subsection (b) (2) of section 1233 are not to apply to property not acquired for arbitrage operations if the taxpayer engages in an arbitrage operation under the conditions set forth in the bill. The bill was reported unanimously by the Committee on Ways and Means.

PROVIDING FOR CARRYBACK AND CARRYOVER OF FOREIGN TAX CREDIT

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 6728) to provide for carryback and carryover of foreign tax credit, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. COOPER]?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That section 904 of the Internal Revenue Code of 1954 (relating to limitation on foreign tax credit) is hereby amended by inserting immediately after subsection (b) thereof the following new subsection:

"(c) Carry-back and carry-over of excess tax paid: Any amount by which any such tax paid or accrued to any foreign country or possession of the United States for any taxable year for which the taxpayer chooses to have the benefits of this subpart exceeds the limitation under section (a) shall be deemed tax paid or accrued to such foreign country or possession of the United States in the second preceding taxable year, in the first preceding taxable year, and in the first, second, third, fourth, or fifth succeeding taxable years, in that order and to the extent not deemed tax paid or accrued in a prior taxable year, in the amount by which the limitation under subsection (a) for such preceding or succeeding taxable year exceeds the sum of the tax paid or accrued to such foreign country or possession for such preceding or succeeding taxable year and the amount of the tax for any taxable year earlier than the current taxable year which shall be deemed to have been paid or accrued in such preceding or subsequent taxable year (whether or not the taxpayer chooses to have the benefits of this subpart with respect to such earlier taxable year). Such amount deemed paid or accrued in any year may be availed of only as a tax credit and not as a deduction and only if taxpayer for such year chooses to have the benefits of this subpart as to taxes paid or accrued for that year to foreign countries or possessions."

SEC. 2. Section 6611 of the Internal Revenue Code of 1954 (relating to interest on overpayments) is hereby amended by redesignating subsection "(g)" as subsection "(h)" and by inserting immediately after subsection (f) the following new subsection:

"(g) Refund of income tax caused by carry-back of foreign taxes: For purposes of subsection (a), if any overpayment of tax results from a carry-back of tax paid or accrued to foreign countries or possessions of the United States, such overpayment shall be deemed not to have been paid or accrued prior to the close of the taxable year under this subtitle in which such taxes were in fact paid or accrued."

SEC. 3. Effective date: The amendments made by this act shall apply only with respect to taxable years beginning after December 31, 1954, and the term "second preceding taxable year," as used therein, shall not apply to any taxable year beginning prior to January 1, 1953.

With the following committee amendments:

Page 1, line 10, insert after "taxable year" the following: "beginning after December 31, 1954."

Page 2, line 21, strike out "possessions.'" and insert "possessions. For purposes of this subsection, the terms 'second preceding taxable year' and 'first preceding taxable year' do not include any taxable year beginning before January 1, 1955'."

Page 3, strike out "1954," in line 15 and all that follows through line 17, and insert: "1954."

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.

Mr. COOPER. Mr. Speaker, H. R. 6728 amends the Internal Revenue Code of 1954 to remedy inequities caused by the operation of the foreign tax credit provisions of existing law.

The power to tax is inherent in the sovereignty of all nations. For that reason, citizens and alien residents of the United States and domestic corporations who do business both in and without the United States are subject to taxation in both the United States and in the foreign countries where the business is carried on.

As you will recall, existing law seeks to avoid double taxation of the same income in these cases by allowing a credit for the taxes paid or accrued to the foreign country against our Federal income tax. The inequities to which I have alluded are the product of the so-called per country limitation contained in present law. This limitation operates to restrict the amount of foreign tax credit to an amount which bears the same proportion to the taxpayers total tax liability as the taxable income from the foreign country bears to the total taxable income of the taxpayer for the taxable year.

If the manner prescribed in the foreign country for reporting income differs from that followed in the United States, such differences often result in double taxation.

The report accompanying this bill lists six factors which may result in differences in the timing required for reporting income.

To overcome the disparity of treatment resulting from laws over which the United States has no control H. R. 6728 permits foreign taxes which cannot be taken into account currently as a credit against United States taxes to be carried back to the 2 prior years or forward to the 5 succeeding years to the extent of any excess of the limitation over the foreign taxes paid in those years.

The bill was unanimously reported by the Committee on Ways and Means. I urge its adoption by the House of Representatives.

Mr. Speaker, I ask unanimous consent that other Members of the House, desiring to do so, may extend their remarks at this point in the RECORD on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JENKINS. Mr. Speaker H. R. 6728 permits foreign taxes which cannot be taken currently as a tax credit by reason of the per country limitation to be carried back to the 2 prior years or forward to the 5 succeeding years and used in those years to the extent of any excess of the limitation over foreign taxes paid in those years. The bill was reported unanimously by the Committee on Ways and Means.

Mr. O'BRIEN of Illinois. Mr. Speaker, the United States taxes domestic taxpayers on both their foreign and their domestic income, but, to avoid double taxation, allows a credit of foreign tax against United States tax of not to exceed the pro rata amount of the United States tax on the foreign income. The purpose of the credit is accomplished, except when the foreign country taxes the income in 1 year and the United States taxes the same business income in another year, in which case the taxes attributable to such income fall in different years, and the credit is lost. H. R. 6728 does not average or shift or change the determination of income between taxable years, and does not alter the policy of Congress in imposing a country-by-country limitation upon the foreign tax credit. Since the legislation would deal solely with the foreign tax credit, which has been an integral part of Federal income tax laws since the Revenue Act of 1918, it is in no sense related to recent proposals to provide reduced rates of taxation and deferment of taxation of income from foreign sources. By providing a carry-back and carry-over of credit, this bill merely correlates the foreign and United States tax to carry out the intent and purpose of Congress. No foreign tax credit is ever allowed in excess of the pro rata amount of the United States tax on the foreign income. The committee amendment was necessary to carry out the decision of the com-

mittee that the bill should have no retroactive effect upon tax liabilities for years prior to January 1, 1955.

Mr. BOGGS. Mr. Speaker, the bill, H. R. 6728, which was reported unanimously by the Committee on Ways and Means, deals with the credit against United States tax for income taxes paid or accrued to foreign countries. The purpose of the bill is to insure the full intended benefit of that credit.

For many years existing law has allowed a credit against United States tax for income tax paid or accrued to a foreign country or possession of the United States. The reason for the credit is to avoid double taxation of the same income. In order to avoid subsidizing high-rate foreign tax systems, the amount of the credit is limited to the same proportion of the United States tax which the taxable income from sources within the foreign country bears to the entire income from all sources which is taxable in the United States. In effect, this limitation means that the credit may be allowed only if, in the year when the foreign tax was paid, the United States return reflects income from sources within the foreign country; and then the credit may not exceed what would be the United States tax on the income from that country.

It has been found that the benefit of the credit is frequently lost because what the United States tax system includes as income of a given year from a foreign country may be substantially different from what the foreign country taxes as income in that year. An item of income may be taxable in one year in a foreign country, and in another year or other years in the United States. Or there may be differences in the year of allowing deductions, or in the method of computing the return of capital investment by depreciation allowances.

A striking example of international variations in determining the year's taxable income is found in connection with the installment-sale method of reporting income, which is not permitted in some foreign countries or is permitted in a different degree or manner. Thus, in a foreign country not permitting installment-sale reporting the entire income from a particular transaction may be taxable income in the year of the sale; in the United States the income from the same foreign sale would be taxed only in small part in the year of sale and the balance would be taxed in subsequent years as collections are made. In the year of sale the United States tax return would reflect a low income from sources within the foreign country but would show a high foreign tax paid, and the limitation would require disallowance of some of the credit. In the following year the situation would be reversed. There would be no foreign tax on the income from that sale because the income had already been taxed in that country, but in the United States the part of the profit collected in such second year would be taxed, and the foreign tax paid would be less than the amount of credit potentially allowable under the limitation.

The bill provides for carryback and carryover of foreign tax credit, so as to correct the consequence of mere difference in timing of reporting the same income under different tax systems. It does not increase the amount of allowable credit, but attempts to correlate the credit for tax paid on foreign income to the year when that income is taxed on the United States return.

The bill provides that the amount by which the tax paid or accrued to a foreign country exceeds the limitation in a given year shall be carried back 2 years and forward 5 years. This excess will be deemed tax paid or accrued to that foreign country in the second preceding taxable year, the first preceding taxable year, the first succeeding year, the second, third, fourth, or fifth succeeding year—in that order.

For example, an amount paid or accrued to country X in 1957 may not be allowable as a credit against the United States tax in that year because of the limitation, because the United States return reflects a low income in that year from sources within X. That unused credit may then be carried back to 1955 and deemed paid or accrued to X in 1955. If, when added to the tax actually paid or accrued to X in 1955, the 1955 limitation is not exceeded, that carried-back amount is utilized in 1955 as a credit. To the extent that it is not so used in 1955 because of an excess over the limitation in that year, it will be similarly available as a credit in 1956; and then successively—for any balance—in 1958, 1959, 1960, 1961 or 1962.

The problems to which the bill is directed would not arise if there were complete harmony between the taxing systems of foreign countries and the system of the United States, so that the year in which given income from a foreign country is taxed in the United States is the same as the year in which it is taxed in that foreign country. The bill attempts to do no more than put American taxpayers on the same footing as if that correlation existed, and it is strictly limited to that intended result.

Some of the safeguards in the bill may be mentioned briefly. The credit in any year can never exceed the limitation which is based on the United States tax on that year's income from the foreign country involved. And if credit carried back or carried forward cannot be used within the bounds of that limitation in the two preceding years or the five following years, it is forever lost.

The bill as reported is made effective as to foreign taxes paid or accrued in a year beginning in 1955 or later. An unused excess over the limitation may not be carried back to tax years beginning in 1953 or 1954. Thus, there is no retroactive effect, and a carry-back cannot produce a refund for any year beginning before 1955.

With the high tax rates which prevail both in the United States and in foreign countries, it is important that everything reasonably possible be done to avoid double taxation of the same business income. This bill is a step in that direction. For that reason, it was unanimously approved by the Committee on Ways and Means.

ASSISTING STATES IN COLLECTING SALES AND USE TAXES ON CIGARETTES

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 6886) to amend the act of October 19, 1949, entitled "An act to assist States in collecting sales and use taxes on cigarettes," which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. COOPER]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act of October 19, 1949, entitled "An act to assist States in collecting sales and use taxes on cigarettes," as amended (15 U. S. C., sec. 375–377), is hereby amended to read as follows: "That for the purposes of this act—

"(1) The term 'person' includes corporations, companies, associations, firms, partnerships, societies, and joint stock companies, as well as individuals.

"(2) The term 'cigarette' means any roll for smoking made wholly or in part of tobacco irrespective of size or shape and whether or not such tobacco is flavored, adulterated, or mixed with any other ingredient, the wrapper or cover of which is made of paper or any other substance or material except tobacco.

"(3) the term 'distributor licensed by or located in such State' means—

"(A) in the case of any State which by State statute or regulation authorizes the distribution of cigarettes at wholesale or retail, any person so authorized, or

"(B) in the case of any other State, any person located in such State who distributes cigarettes at wholesale or retail;

but such term in no case includes a person who acquires cigarettes for purposes other than resale.

"(4) The term 'use', in addition to its ordinary meaning, means the consumption, storage, handling, or disposal of cigarettes.

"(5) The term 'tobacco tax administrator' means the State official duly authorized to administer the cigarette tax law of a State.

"(6) The term 'State' includes the District of Columbia, Alaska, Hawaii, and the Commonwealth of Puerto Rico.

"(7) the term 'transfers for profit' means any transfer for profit or other disposition for profit, including any transfer or disposition by an agent to his principal in connection with which the agent receives anything of value.

"SEC. 2. (a) Any person who sells or transfers for profit cigarettes in interstate commerce, whereby such cigarettes are shipped into a State taxing the sale or use of cigarettes, to other than a distributor licensed by or located in such State, or who advertises or offers cigarettes for such a sale or transfer and shipment, shall—

"(1) first file with the tobacco tax administrator of the State into which such shipment is made or in which such advertisement or offer is disseminated a statement setting forth his name and trade name (if any), and the address of his principal place of business and of any other place of business; and

"(2) not later than the 10th day of each calendar month, file with the tobacco tax administrator of the State into which such shipment is made, a memorandum or a copy of the invoice covering each and every shipment of cigarettes made during the previous calendar month into such State; the

memorandum or invoice in each case to include the name and address of the person to whom the shipment was made, the brand, and the quantity thereof.

"(b) The fact that any person ships or delivers for shipment any cigarettes shall, if such shipment is into a State in which such person has filed a statement with the tobacco tax administrator under subsection (a) (1) of this section, be presumptive evidence (1) that such cigarettes were sold, or transferred for profit, by such person, and (2) that such sale or transfer was to other than a distributor licensed by or located in such State.

"SEC. 3. Whoever violates any provision of this act shall be guilty of a misdemeanor and shall be fined not more than $1,000, or imprisoned not more than 6 months, or both.

"SEC. 4. The United States district courts shall have jurisdiction to prevent and restrain violations of this act."

SEC. 2. (a) Except as provided in subsection (b), the amendments made by this act shall take effect 30 days after the date of its enactment.

(b) The provisions of section 2 (a) of the act of October 19, 1949, as amended by this act, insofar as it requires the filing of memoranda or copies of invoices with the appropriate tax administrator for shipments of cigarettes into the District of Columbia, Alaska, Hawaii, and the Commonwealth of Puerto Rico, shall apply in respect of memoranda or copies of invoices covering shipments made during calendar months beginning after the month in which this act is enacted.

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.

Mr. COOPER. Mr. Speaker, in 1949 the Congress passed an act—title 15 United States Code, sections 375–377—which required persons who sell cigarettes in interstate commerce to persons other than a distributor licensed by a State to forward to the tobacco tax administrator of the State, in which the sale was consummated, monthly reports setting forth the names and addresses of the persons to whom shipments were made. This act, which was amended in 1953, was originally passed to meet a situation which prevailed in the mail-order cigarette business where a large number of concerns were engaged in selling cigarettes in other States through the mail directly to consumers who thus avoided the payment of State taxes imposed upon cigarettes.

While salutary in its effect, the act was deficient in some respects. These defects resulted in exorbitant investigative costs to the Federal Bureau of Investigation which was charged with obtaining the evidence necessary for successful criminal prosecution of violators. The States also lost revenue during the time necessary to investigate and prosecute violators.

H. R. 6886 would remedy this situation by providing four important changes, the first of which redefines the term "State" to include the District of Columbia, Alaska, Hawaii, and the Commonwealth of Puerto Rico.

The second major change requires anyone who advertises or offers for sale and shipment in interstate commerce to a nondistributor in a taxing State to file his name, trade name, address and places of business with the tax administrator of the State in which the advertisement or offer is made.

The third change creates a presumption that cigarettes shipped or delivered into a State in which a statement has been filed was a sale for profit by the shipper, and further, that the sale was to a person other than a distributor licensed by or located in the taxing State.

The fourth major change gives the United States district court the power to issue injunctions restraining violations of the act.

These and other minor changes effected by the bill will make administration of the act considerably less expensive and the task of securing evidence of violations much easier. In addition, it is expected that the revenue losses presently incurred by taxing States will be considerably diminished.

The bill was supported before our committee by a representative of the Justice Department who recommended its passage. The bill was unanimously reported by the Committee on Ways and Means. I urge that it be passed.

Mr. JENKINS. Mr. Speaker, H. R. 6886 was reported unanimously by the Committee on Ways and Means. It amends the act of October 19, 1949—title 15, United States Code, sections 375–377. That act, which I sponsored, provided that persons who sell or dispose of cigarettes in interstate commerce to a person other than a distributor licensed by or located in a State taxing the sale or use of cigarettes must "forward to" the tobacco tax administrator of the receiving State monthly reports setting forth the names and addresses of the persons to whom shipments were made and the brand and quantity of cigarettes so shipped. The failure of the seller or disposer to comply with this act, subjected him to a fine of $1,000 or imprisonment for not more than 6 months or both.

The act of October 19, 1949, was enacted for three major reasons:

First. The large and increasing loss of revenue to the States caused by the evasion of sales and use taxes on cigarettes shipped in interstate commerce to consumers;

Second. The discrimination caused by this evasion against sellers of cigarettes in States having a higher tax than the tax of the seller State; and

Third. The fact that this evasion was accomplished through the use of the United States mail.

An act of August 15, 1953, amended the original act to require the actual filing of the reports of cigarette sales to such nondistributors with the tobacco tax administrator of the receiving State instead of merely forwarding such reports to that official. The purpose of that amendment was to place the Federal venue, in case of violation of the act, in the district in which the State tobacco tax administrator of the receiving State has his office, and not in the district from which the cigarettes are shipped.

This bill makes four important changes in the 1949 act as amended. The first redefines the term "State" to include the District of Columbia, Alaska, Hawaii, and the Commonwealth of Puerto Rico. This extends the coverage of the act to shipments of cigarettes to consumers in these areas. This change is contained in the first section of the act, as amended, by the bill.

The second major change made by this bill is contained in section 2 (a) of the act as amended by the bill. Existing law only requires that one who sells and causes cigarettes to be shipped in interstate commerce to other than a distributor must each month file memoranda or copies of invoices with the tobacco tax administrator of the State imposing the tax. The memoranda or invoice copies are to cover each shipment of cigarettes to a State made during the prior month. This requirement is retained and section 2 (a) of this bill adds a further requirement. The new provision requires anyone who advertises or offers cigarettes for sale and shipment in interstate commerce to a nondistributor in a taxing State to file his—the advertiser's—name, trade name, address, and places of business with the tobacco tax administrator of the State in which the advertisement or offer is disseminated. One who sells and causes cigarettes to be shipped in interstate commerce to a nondistributor in a taxing State also is required to file such information in the State into which the cigarettes are shipped. The bill changes the language in the present law to make certain that the law applies only to shipments of cigarettes into those States which tax their sale or use.

The third important change in existing law is contained in section 2 (b) of the act as amended by the bill. This section creates a presumption that once cigarettes are shipped or delivered for shipment into a State in which a statement has been filed, then such shipment is to be presumptive evidence (1) that there was a sale for profit by the shipper and (2) that the sale was to a person other than a distributor licensed by or located in the receiving State. This provision is intended to remove the very real difficulty of locating the buyer and obtaining his testimony as to violations of this act.

The fourth major change in present law is contained in section 4 of the bill. This section gives the United States district courts the power to restrain violations of this act. Formerly the district courts only had the power to punish violations after they occurred. It is felt that this amendment will greatly improve the enforcement of this act.

Minor changes effected by this bill are as follows:

First. The broadening of the term "person" to include, but not to be limited to, various additional forms of business operation. This was done to avoid any technical dispute as to the scope of its meaning.

Second. Inserting and defining the term "distributor licensed by or located in such State." The effect of the mandatory provisions of section 2 of the act of October 19, 1949 (title 15, U. S. C., sec. 376), was to exempt shipments solely to distributors as distinguished from those who ship to consumers. This amendment makes it clear that the filing requirements do not apply to those who ship solely to wholesale or retail distributors in States which do not actually issue an authorization or license.

Third. Instead of using the term "disposing of" this bill inserts and defines the term "transfer for profit" and provides specifically that this includes the situation where the seller appoints the buyer as his agent. The purpose of this is to cover a possible evasion of the act by subterfuge. It is declaratory of existing law.

Fourth. In section 2 (a) (2) the word "calendar" is inserted before the word "month" where the latter word first appears.

Those provisions regarding the filing of memoranda or copies of invoices in the District of Columbia, Alaska, Hawaii, and Puerto Rico are to apply to shipments in the calendar months after the month in which the bill is enacted. The remainder of the provisions of this bill are to take effect 30 days after enactment.

The amendment by this bill would place no additional burden upon anyone shipping cigarettes to licensed distributors. It would require information to be supplied only by establishments which, without paying the tax, ship cigarettes across a State border to consumers in States imposing a tax on cigarettes and by this means evade the State tax on cigarettes.

Mr. Speaker, the original act which I sponsored, along with subsequent amendments, has been a milestone in Federal-State cooperation. It has saved the States many millions of dollars in revenue which would otherwise have been lost.

Before the original act was passed the situation was in reality disgraceful. Practically all of the States had passed laws providing for a tax on cigarettes on the basis of 2 to 5 cents a pack. Those States that had not passed a law providing for a tax on cigarette packs furnished an opportunity to bootleggers to buy cigarettes in the State where no tax was demanded and then sell them clandestinely in a State where a tax was required and thereby avoid what would be a double tax.

Because of this situation many bootleggers came into Ohio and other States personally and solicited business and, as a result, the mails were full of cigarettes being sent from the State which levied no tax and sold in a State in violation of the tax law. The first year following the passage of the original act the State of Ohio took in $550,000 more in taxes than it would have taken in if the bill had not passed. It was jokingly said at that time in 1 of the large cities in 1 of the States where the tax was 4 cents a pack that the post office was by far the biggest distributor of cigarettes because the cigarettes that came in illegally were of tremendous volume.

While Ohio profited from the original bill, as I have stated, the profits in Ohio have been more than $550,000 since then because the enforcement of the law has become more strict. I do not have the accurate figures before me, but I daresay that while Ohio was profiting by the passage of this law, no doubt States like New York and Pennsylvania profited close to a million dollars a year.

In most cases this bootlegging practice was carried on by hardened lawbreakers who knew what they were doing and made themselves immensely rich. While this bootlegging was being carried on there were many shippers of cigarettes who obeyed the law most carefully—for instance, some of the big distributors such as Sears, Roebuck & Co. were very particular when they sent cigarettes into Ohio to see to it that the law controlling the tax on cigarettes was met in every detail.

As I have heretofore stated, in the present law we strengthened the hands of the enforcing officers so that they can wipe out of existence the bootleggers yet remaining.

AMENDING SECTION 1321 OF THE INTERNAL REVENUE CODE OF 1954

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 6999) to amend section 1321 of the Internal Revenue Code of 1954, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. COOPER]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the second sentence of section 1321 (a) of the Internal Revenue Code of 1954 (relating to involuntary liquidation of LIFO inventories) is hereby amended by striking the period at the end thereof and inserting the following: "(except that no adjustment shall be made in the computations under section 459 (f) of the Internal Revenue Code of 1939)."

SEC. 2. A taxpayer to which the amendment made by this act applies may elect, at any time before January 1, 1956, to have the provisions of section 1321 of the Internal Revenue Code of 1954 as so amended apply with respect to involuntary liquidations of LIFO inventories and replacements thereof referred to in section 1321.

With the following committee amendment:

Strike out "1939)" and insert "1939)."

Mr. NICHOLSON. Mr. Speaker, I move to strike out the last word and take this time only to ask the chairman of the Committee on Ways and Means if he can give us a short explanation of the bill.

Mr. COOPER. The bill was introduced by the distinguished gentleman from Ohio [Mr. JENKINS]. I am sure if the gentleman from Massachusetts so desires the gentleman from Ohio will explain it to him.

Mr. JENKINS. If the gentleman will yield, the substance of this bill is in fact the present law, but those who enforce it in the Department of Justice want a few small amendments to assist them in its enforcement. I do not know of anybody who is opposed to it anywhere along the line.

Mr. NICHOLSON. I thank the gentleman from Ohio.

The SPEAKER. The question is on the committee amendment.

The committee amendment was 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.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in explanation of the bill H. R. 6999.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, H. R. 6999 amends section 1321 (a) of the Internal Revenue Code of 1954, relating to involuntary liquidations of last-in first-out — LIFO — inventories. The amendment proposed by the bill is necessitated by the interrelationship between this section and section 459 (f) of the 1939 Internal Revenue Code, relating to an excess-profits tax base for the 1950 excess-profits tax. At present the interrelationship between these sections may operate to deprive taxpayers of the relief which was intended to be afforded to them upon the replacement of an involuntarily liquidated last-in first-out—LIFO—inventory or to deny to them the use of the special average base period net income provided by section 459 (f) for purposes of the 1950 Excess Profits Tax Act.

The bill takes care of this hardship by providing that the adjustments to taxable income required by section 1321 (a) are not to apply with respect to computations made under section 459 (f) of the Internal Revenue Code of 1939. Thus, the average base period net income of companies preserving defense capacity and increasing capacity for manufacturing peacetime products from certain strategic and critical metals will not be reduced because of subsequent expenses for the replacement of liquidated inventory.

This bill was unanimously reported by the Ways and Means Committee. I urge its adoption by the House.

Mr. JENKINS. Mr. Speaker, H. R. 6999, which was introduced by my distinguished colleague from Connecticut [Mr. SADLAK], amends section 1321 (a) of the Internal Revenue Code of 1954 relating to inventory liquidations of LIFO inventories. The amendment simply provides that the adjustments to taxable income required by this provision shall not apply with respect to computations under section 459 (f) of the 1939 Code, relating to the excess-profits tax base for the 1950 excess-profits tax. The bill was reported unanimously by the Committee on Ways and Means.

REMOVAL OF CERTAIN MANUFACTURERS' EXCISE TAXES

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means I ask unanimous consent for the immediate consideration of the bill (H. R. 7024) to remove the manufacturers' excise tax from the sales of certain component parts for use in other manufactured articles, and to confine to entertainment-type equipment the tax on radio and television apparatus, which

was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That chapters 32 and 65 of the Internal Revenue Code of 1954 are amended as follows:

(a) Section 4216 (a) (1) of the Internal Revenue Code of 1954 is amended by inserting after "section 4141" the following: "and other than an automobile part or accessory taxable under section 4061 (b), a refrigerator component taxable under section 4111, a radio or television component taxable under section 4141, or a camera lens taxable under section 4171."

(b) Section 4218 (b) of the Internal Revenue Code of 1954 is amended to read as follows:

"(b) Exception: This section shall not apply with respect to the use by the manufacturer, producer, or importer of an automobile part or accessory taxable under section 4061 (b), a refrigerator component taxable under section 4111, a radio or television component taxable under section 4141, or a camera lens taxable under section 4171, if such part, accessory, component, or lens is used by him as material in the manufacture or production of, or as a component part of, any article."

(c) The first two sentences of section 4220 of the Internal Revenue Code of 1954 are amended to read as follows: "Under regulations prescribed by the Secretary or his delegate, no tax under this chapter shall be imposed with respect to the sale of—

"(1) any article (other than an automobile part or accessory taxable under section 4061 (b), a refrigerator component taxable under section 4111, a radio or television component taxable under section 4141, or a camera lens taxable under section 4171)—

"(A) for use by the vendee as material in the manufacture or production of, or as a component part of, an article enumerated in this chapter; or

"(B) for resale by the vendee for such use by his vendee, if such article is in due course so resold; or

"(2) an automobile part or accessory taxable under section 4061 (b), a refrigerator component taxable under section 4111, a radio or television component taxable under section 4141, or a camera lens taxable under section 4171—

"(A) for use by the vendee as material in the manufacture or production of, or as a component part of, any article; or

"(B) for resale by the vendee for such use by his vendee, if such article is in due course so resold.

For purposes of this chapter, the manufacturer or producer to whom an article is sold under paragraph (1) (A) and (2) (A) or resold under paragraph (1) (B) or (2) (B) shall be considered the manufacturer or producer of such article."

(d) Section 4113 of the Internal Revenue Code of 1954 is hereby repealed.

(e) Section 4112 of the Internal Revenue Code of 1954 is amended—

(A) by striking out the heading to such section and inserting in lieu thereof the following:

"SEC. 4112. Definition of Refrigerator components.";

(B) by striking out "(a) Refrigerator components:"; and

(C) by striking out subsection (b) thereof.

(f) The table of sections to part I of subchapter B of chapter 32 of the Internal Revenue Code of 1954 is amended—

(A) by striking out "Definitions" and inserting in lieu thereof "Definition of refrigerator components"; and

(B) by striking out "Sec. 4112. Exemptions for Manufacturers."

(g) Section 4063 (b) of the Internal Revenue Code of 1954 is amended—

(A) by striking out "or parts or accessories" in the first sentence thereof; and

(B) by striking out ", or parts or accessories" in the second sentence thereof.

(h) Section 6416 (b) (3) (A) of the Internal Revenue Code of 1954 is amended by inserting after "section 4141" the following: "and other than an automobile part or accessory taxable under section 4061 (b), a refrigerator component taxable under section 4111, a radio or television component taxable under section 4141, or a camera lens taxable under section 4171".

(i) Section 6416 (b) (3) of the Internal Revenue Code of 1954 is amended by changing subparagraph (B) thereof to read as follows:

"(B) An automobile part or accessory taxable under section 4061 (b), a refrigerator component taxable under section 4111, a radio or television component taxable under section 4141, or a camera lens taxable under section 4171, purchased by a manufacturer or producer and used by him as material in the manufacture of, production of, or as a component part of, any article."

SEC. 2. Radio and television receiving sets and component parts: (a) Section 4141 of the Internal Revenue Code of 1954 is amended by inserting at the end thereof a new sentence as follows: "Except in the case of radio and television components and phonograph records, the tax imposed by this section shall apply only to articles of the entertainment type."

(b) Section 4142 of the Internal Revenue Code of 1954 is amended to read as follows:

"SEC. 4142. Definition of radio and television component.

"As used in section 4141, the term 'radio and television components' means cabinets and tubes for any of the articles taxable under section 4141."

(c) Section 4143, section 4218 (b), section 6416 (b) (2) (G), and section 6416 (b) (3) (B) of the Internal Revenue Code of 1954 are hereby repealed.

(d) The table of sections to part I of subchapter C of chapter 32 of the Internal Revenue Code of 1954 is amended by striking out

"Sec. 4143. Exemptions for sales to United States.".

SEC. 3. Effective date.—The amendments made by this act shall take effect on the first day of the first month which begins more than 10 days after the date of the enactment of this act.

With the following committee amendments:

Page 1, line 5, strike out "4216" and insert "4218."

Page 2, line 2, strike out "4171." and insert "4171)."

Page 2, strike out lines 16, 17, and 18, and insert in lieu thereof:

"Under regulations prescribed by the Secretary or his delegate, no tax under this chapter shall be imposed with respect to the sale of—."

Page 3, strike out lines 19 to 23, and insert in lieu thereof: "For purposes of this chapter, the manufacturer or producer to whom an article is sold under paragraph (1) (A) or (2) (A) or resold under paragraph (1) (B) or (2) (B) shall be considered the manufacturer or producer of such article."

Page 4, line 19, strike out "4112. Exemptions for Manufacturers." and insert "4113. Exemptions for manufacturers."

Page 5, line 5, strike out "of" and insert "or."

Page 5, line 9, strike out "4171." and insert "4171."

Page 6, strike out lines 4 to 13, inclusive, and insert:

"(b) Sections 4143 and 6416 (b) (2) (G) of the Internal Revenue Code of 1954 are hereby repealed."

Page 6, line 16, strike out "(d)" and insert "(c)."

Page 6, line 22, after "act." insert the following: "Notwithstanding the preceding sentence—

"(1) the repeal of section 6416 (b) (2) (G) of the Internal Revenue Code of 1954 shall apply only with respect to articles sold by the manufacturer, producer, or importer on or after the first day of the first month which begins more than 10 days after the date of the enactment of this act, and

"(2) section 6416 (b) (3) (B) of the Internal Revenue Code of 1954, as amended by subsection (i) of the first section of this act, shall apply with respect to articles used on or after such first day by the manufacturer or producer as material in the manufacture of, production of, or as a component part of, another article."

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.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD explaining the bill H. R. 7024.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, under present law automotive parts and accessories, refrigerator components, radio and television components, and camera lenses are subject to manufacturers' excise tax. Of these, radio and television components, together with camera lenses, are taxable if sold to a manufacturer for incorporation in an article not subject to a manufacturers' excise tax, or if they are sold for resale to such a manufacturer. On the other hand, refrigerator components are not taxable if sold for incorporation in refrigeration equipment whether or not such equipment is subject to a manufacturers' excise tax. This is also the case with automotive parts and accessories, with certain exceptions. As can be imagined, this variety of treatment has resulted not only in taxpayer confusion but in administrative difficulty as well.

To alleviate this condition H. R. 7024 amends the Internal Revenue Code of 1954 to provide a single rule for all of these parts, accessories or components, and exempts them from tax where they are sold for incorporation in other end articles whether or not these end articles are taxable. However, these parts, accessories, and components which are sold for repair or replacement use will continue to be subject to the manufacturers' tax.

Section 2 (a) of the bill amends section 4141 of the Internal Revenue Code of 1954 to provide that the tax on radio and television receiving sets, automobile radio and television receiving sets, phonographs, and combinations of any of these is to apply only to articles of the entertainment type.

This treatment is limited to items of the entertainment type because the com-

mittee does not feel that a tax should be levied upon special communication, detection, or navigation equipment used by businesses. This treatment is in conformity with action taken by Congress to revise the basis of the excise taxes on photographic apparatus, film, electric, gas and oil appliances used by businesses.

In addition, the changes proposed by section 2 (a) of this bill make it possible to simplify the status by removing special exemption sections and special credit or refund sections now applicable to communication, detection, and navigation receivers sold to the United States Government. This will result in considerably less administrative difficulty.

This bill was ordered reported by the Committee on Ways and Means by unanimous vote. I urge its adoption by the House.

Mr. JENKINS. Mr. Speaker, H. R. 7024 relates to the manufacturers' excise tax on the sales of certain component parts for use in other manufactured articles. It was reported unanimously by the Committee on Ways and Means. The bill was introduced by my distinguished colleague, Mr. SIMPSON of Pennsylvania, who will explain the bill in greater detail.

Mr. SIMPSON of Pennsylvania. Mr. Speaker, it is the purpose of H. R. 7024 to amend the Internal Revenue Code of 1954 so as to eliminate a number of administrative and compliance problems under the manufacturers' excise tax.

The first section of this bill provides that automotive parts or accessories, refrigeration components, radio and television components, and camera lenses may be sold free of tax if the purchaser uses or resells them "as material in the manufacture or production of, or as a component part of," any other articles whether or not these other articles are subject to manufacturers' excise tax. This results in a single rule for all of these parts, accessories, or components, exempting them from tax where they are sold for incorporation in other end articles, whether or not these other end articles are taxable.

This step provides greater equity and will simplify administration and compliance. Providing for tax-free sales where the end products are not taxable also will prevent the indirect taxation of articles which Congress has not considered it desirable to subject to direct excise taxation. Furthermore, where there are tax-free substitute components for use in these nontaxable end articles, the change made by the first section of this bill would remove the discrimination against manufacturers of taxable parts or components. This provision will also clarify existing law with respect to exemption of parts or components purchased by manufacturers for incorporation in other articles produced for export or for sale to States and municipalities.

Section 2 of this bill provides that the 10-percent excise tax on radios, television sets, phonographs, automobile radio or television sets, and combinations of radio, television, or phonograph sets is to apply only if the article is of the entertainment type. The bill, as amended by the committee, would make no change in the type of radio or television components which are taxable when sold separately from a set. Thus, under the bill as reported, as well as under present law, the following radio and television components will continue to be subject to tax when sold as repair or replacement parts: chassis, cabinets, tubes, speakers, amplifiers, power-supply units, antennas of the built-in type, and phonograph mechanisms.

The change described above would make it possible to remove provisions in present law providing a special exemption and a special credit or refund for communication, detection, and navigation receivers when sold to the United States Government. These receivers, upon the enactment of this bill, will in any case be exempt from tax since they are not of the entertainment type.

The excise tax on radios, television sets, and so forth, would be limited under the bill to items of the entertainment type because your committee sees no reason for singling out for excise-tax levy special communication, detection, and navigation equipment used by businesses. This change is in conformance with similar actions taken by Congress in recent years in revising the excise tax base for photographic apparatus and film and electric, gas, and oil appliances. Moreover, this change would considerably ease administrative and compliance problems.

LEASING OF RESTRICTED INDIAN LANDS FOR PURPOSES REQUIRING LONG-TERM LEASES

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 34) to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases, with a House amendment thereto, insist on the amendment of the House, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. ENGLE, HALEY, UDALL, BERRY, and RHODES of Arizona.

RECORDATION OF SCRIP, ETC.

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2972) to require the recordation of scrip, lieu selection, and similar rights, 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 2, line 8, strike out "three" and insert "two."

Page 2, line 17, strike out "three" and insert "two."

Page 3, after line 3, insert:

"SEC. 5. Within 30 days after the effective date of this act, the Secretary of the Interior shall cause to be published in the Federal Register a notice setting forth the recordation requirements of this act. Within 1 year after the effective date of this act the Secretary shall also cause notices of the recordation requirements of this act to be published in such newspapers, posted in such public offices, and given publicity by such other means as he deems feasible and appropriate for the dissemination of information concerning the recordation requirements of this act to persons who may have holdings or claims that are subject to such requirements."

Page 3, line 4, strike out "5" and insert "6."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendments were concurred in; and a motion to reconsider was laid on the table.

THE PRESIDENT AND THE SUMMIT CONFERENCE

Mr. ARENDS. 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 Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I rise to say for the people of Illinois and the Nation, "Thank you, Mr. President." Today our hearts are filled with grateful pride of what President Eisenhower accomplished at Geneva in laying a solid foundation for a stable peace. The prospects for stable peace are now brighter than in a decade.

President Eisenhower went to Geneva as a man dedicated to the cause of peace. He acted boldly and firmly. Everything he did, everything he said, every suggestion he made, every proposal he offered, expressed this singleness of purpose—our sincere desire for friendship, understanding, and peaceful solution of world problems.

His extraordinary proposal, such as an American-Russian exchange of military information and mutual aerial reconnaissance, doubtless mystified the Kremlin. It came from the leader of the most powerful nation on earth. It came from a man who knows military affairs better than any man in the world. It demonstrated at one stroke our sincerity of purpose.

It is no exaggeration to say that the warmth of our President's personality and the suppleness of his mind, his firmness, and his boldness, have brought to him, and through him to our country, a love and respect never before enjoyed. To be sure, it will take time, many more meetings, and much tedious work, perhaps sometimes trying our patience, for a practical solution of specific problems and conflicts of interests. But the basic foundation for their solution in an atmosphere of better understanding between the East and West was laid at Geneva. There is now real hope for their solution. In the meantime we shall continue to maintain our strength for which the Russians have great respect.

We have this past week witnessed a new high in international diplomacy under the inspired and dynamic leadership of our beloved President.

At Geneva the world's hope for peace was revived. No one man at any one

conference accomplished more for America and the world for peace than President Eisenhower accomplished at Geneva.

For the people of Illinois, I say: "We thank you, Mr. President."

U. S. A. LOSING AIR RACE TO RUSSIA

Mr. CANNON. 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 Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, supplementing remarks in the RECORD of July 18, 1955, and on the floor with reference to defense against foreign attack on July 14, 1955, I include a statement by former Secretary Finletter appearing in this morning's issue of the Washington Post and Times Herald:

UNITED STATES LOSING AIR RACE TO RUSSIA—FINLETTER

PHILADELPHIA, July 19.—Thomas K. Finletter, former Secretary of the Air Force, said today "we are rapidly losing air supremacy to the Russians."

"My opinion is that the Russians are now drawing even with us in air-atomic power and have a momentum in relation to our relative inertia which will put them ahead of us in a short time," he said in a speech at the University of Pennsylvania's summer school assembly.

Finletter called for increased output in air production in America in order to stay well ahead of the Soviet.

"Why we should have the idea that we can beat the Russians in building atomic weapons, airplanes, guided missiles, and all the rest of the apparatus of airpower with a business-as-usual attitude on our part competing with the all-out effort by the Russians, is beyond me."

Mr. Speaker, in view of these authoritative statements from men best qualified to pass an opinion on the subject, and especially in view of proceedings on the international front in the last few days, it is evident that the marked increase in emphasis now being placed on the development and expansion of American airpower should be continued and that every encouragement should be afforded German unification and the rearmament of the German Republic.

DIXON-YATES

Mr. ABERNETHY. 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 Mississippi?

There was no objection.

Mr. ABERNETHY. Mr. Speaker, the reluctance of the administration to reveal the full story of the Dixon-Yates contract is understandable. The facts which are slowly and painfully being dragged out are embarrassing. They would be enough to embarrass any administration.

It seems to me that the administration would be best advised to come clean and make a full breast of the matter. The very secrecy which it is seeking to maintain makes the whole business seem ominous.

We now have a most peculiar situation. Mr. Sherman Adams, the Assistant to the President, refuses to testify as to his actions in relation to Dixon-Yates on the grounds that his relationship to the President is a confidential one. At the same time, he says that all the testimony he could give could be obtained from other officials of the Government.

When such information is sought from other officials of the Government, however, from the Atomic Energy Commission, the Bureau of the Budget, the Securities and Exchange Commission, and others, the officials clam up and claim privilege. Apparently, the orders to claim privilege in discussing Dixon-Yates come from the same White House in which Mr. Sherman Adams has his office. Yet, Mr. Adams says that any testimony he could give could be given by somebody else. As apparently they could if Mr. Adams and the other officials at the White House would allow them to talk.

Little by little and piece by piece the story is coming out. We know now that those chronologies of the Dixon-Yates contract which were released by the Bureau of the Budget and the Atomic Energy Commission were distinguished more by what they left out than what was left in.

We now learn that the Budget Bureau instructed the Atomic Energy Commission to leave out the names of the representatives of the First Boston Corp. which, as we now know, thought up the whole Dixon-Yates idea. We know now that Chairman Demmler, of the Securities and Exchange Commission, attended secret meetings at the White House at which Dixon-Yates financing was discussed, a matter on which he later would have to pass as a member of the SEC.

We know now that it was Sherman Adams who, without any authority to do so, got the SEC to cancel hearings at which the testimony of Adolphe Wenzell, of the First Boston Corp., was to be given in order that the House would not know of the testimony when it voted on the Dixon-Yates transmission line.

Those of us who opposed Dixon-Yates will not halt or stop until the full story is on the record. This is but one battle in the war against TVA and we wish to be prepared with facts so that we all may act in the light of the truth. The administration should now, at long last, do what President Eisenhower promised months ago would be done and reveal to Congress and the public alike, with complete and utter candor, every fact regarding Dixon-Yates. We will accept nothing less.

SPECIAL ORDERS GRANTED

Mr. STAGGERS asked and was given permission to address the House for 30 minutes today, following the legislative program and any special orders heretofore entered.

Mr. MILLER of California asked and was given permission to address the House for 20 minutes on Wednesday next, following the legislative program and any special orders heretofore entered.

ANTHRACITE COAL STOCKPILE

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, in offering this bill to enable the Federal Government to stockpile Pennsylvania anthracite, I am motivated by a sincere desire not only to provide badly needed assistance to the basic industry in my district, but to protect the national security as well.

This legislation might be regarded as a second step in a program to provide stability in the anthracite mining industry and to enable it to maintain itself in a condition to meet fuel emergencies which might arise out of the inability of fuel oil and natural gas to continue to be able to supply the domestic and industrial fuel requirements of the northeastern United States—a situation which has arisen in every war emergency.

The first step in this program was the authorization of Federal assistance in financing flood control and mine drainage as contemplated in my bill, H. R. 7066, recently passed by both Houses of the Congress and signed by President Eisenhower just prior to his departure for Geneva. In the favorable report of the House Committee on Interior and Insular Affairs on that legislation, it was fully recognized just how essential to the national welfare is the maintenance of the anthracite mining industry in sound operating condition to meet future fuel emergencies.

One immediate way to alleviate current distressed conditions would be to have on hand a backlog of Government orders to enable the mines to operate in slack periods while awaiting seasonal buying by retail dealers and consumers who, as in the case of most other purchases, delay actual buying until the need for the commodity or service is inescapable.

This bill has been carefully drafted after several conferences with representatives of both anthracite operators and the United Mine Workers of America, and I can assure you it has the full sponsorship of both. It provides for the Government acquisition of limited quantities of anthracite over a period of only 2 years.

There is ample precedent for Government support and stockpiling of other commodities, such as agricultural, certain metals, and other strategic materials. Anthracite, however, has at least one inherent advantage over most other commodities in that it may be stored in unlimited quantities over an indefinitely long period with absolute safety and with no deterioration in usefulness or efficiency.

Enactment of this legislation, with a minimum of expense to the Federal Gov-

ernment, will go far toward stabilizing employment, providing a stimulus to business in a six-county area, preserving intact a basic natural-resource industry on which we must rely for a goodly proportion of our fuel in the northeast, and at the same time give the Government a readily salable commodity which it can either consume itself or use as a medium for strengthening international trade.

THE LATE DR. FRANK CROWTHER

Mr. HILL. 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 Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, on Thursday, July 21, it was announced in the House by Congressman KEARNEY, of New York, that a former Congressman, Dr. Frank Crowther, who represented his district for 24 years in the House, had passed away in Colorado.

It was my privilege when I first came to Congress in January 1941 to have met not only Congressman Crowther but also his wife. She is a native Coloradoan. When Dr. Crowther retired he moved to Pueblo, Colo., where he died on the 20th of July 1955.

Congressman Crowther was very helpful to me in my early congressional service. He was very friendly and always was willing to give assistance to new Members whenever possible. I shall never forget the very kind help and useful information he passed on to me during his service with me in the House. He retired voluntarily at the end of the 77th Congress.

I join with other Members of the House who served with Dr. Crowther in paying tribute to this great man, and as my good friend Congressman JENKINS, who knew Dr. Crowther much longer than I, said and with which I wholeheartedly agree:

> He combined about all the human virtues, he was courageous, he was brilliant, and he had a sense of humor that made him a very attractive personality.

I shall not forget Dr. Crowther, and to his wife and members of his family I extend my personal sympathy in this hour of distress and darkness in the loss of a truly and really great American.

THE LATE CORDELL HULL

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I would not let this day pass without expressing my very deep sympathy and mourning in the passing of the late Cordell Hull. Truly Tennessee has lost a most illustrious patriotic son, a great statesman, and the country has lost a great statesman. And those of us who knew him in the Congress have lost a loyal friend.

I worked first with the late Cordell Hull when he was a member of the Committee on Ways and Means. He was always courteous in receiving various groups of people from my district who were vitally and tremendously interested in tariff matters. He was endlessly patient in hearing them and while they did not get everything they asked for they always felt they had received a full and complete hearing.

Later I saw him often when he was Secretary of State when I was next to the ranking Republican member on the Committee on Foreign Affairs. I enjoyed his able mind. Fortunately in the Congress there is no partisanship in friendship. He was always very devoted to his beautiful wife, and I have never seen a more beautiful love than existed between them. They were very gracious and asked me to various entertainments that they gave for foreign diplomats. I felt very close to them always. He was very gracious in granting me many conferences at the State Department when I went there on international affairs. Truly, the country as well as Tennessee can ill afford to lose the late Cordell Hull, and I know as the years go by that he will increase in stature.

PROPOSED GREAT LAKES BASIN COMPACT

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BYRNES of Wisconsin. Mr. Speaker, I have today introduced H. R. 7550, granting the consent and approval of the Congress to a Great Lakes Basin Compact, and for other related purposes.

The compact would establish a commission of the Great Lakes States and the Provinces of Ontario and Quebec with power to consider problems relating to the water resources of the Great Lakes Basin and to recommend programs and policies to the respective State and provincial governments and to the Federal or National Governments of the United States and Canada. Proposals for a compact such as this to assist in the solution of problems relating to the water resources of the basin have been advanced for many years. The compact drafting committee, consisting of State legislators and officials, was established pursuant to a resolution of the Great Lakes Seaway and Water Resources Conference in August 1954. The compact has been submitted to the Great Lakes States and the Provinces of Ontario and Quebec, and five States have signed—Indiana on March 10, Michigan on April 14, Minnesota on April 23, Wisconsin on June 26, and Illinois on July 14.

The consent of Congress is now needed for the purpose of permitting the individual States to enter into such a compact. It is the hope that such consent may be obtained during this Congress so that the commission provided for in the compact may begin its important work.

I include as part of my remarks an explanatory statement concerning the history, purpose and provisions of the compact, prepared by the Council of State Governments:

EXPLANATORY STATEMENT CONCERNING THE PROPOSED GREAT LAKES BASIN COMPACT

BACKGROUND

Proposals that the Great Lakes States join in an interstate compact to assist in the solution of problems relating to the water resources of the Great Lakes have been advanced for more than a decade. Proposals to this effect have been made in connection with numerous common problems facing the American States and the Canadian Provinces bordering the lakes, including problems such as the protection and regulation of fisheries, pollution, water levels and shore erosion, the diversion of water into and from the lakes, and others.

In its 1954 session, the Michigan Legislature enacted legislation authorizing the Governor to enter into a compact with the other Great Lakes States and the Province of Ontario. The Michigan proposal envisioned an interstate organization with broad fact-finding, investigatory, and recommendatory powers. The commission established by the compact would have powers to consider all problems relating to the waters and resources of the Great Lakes and to recommend programs and policies to the respective State and provincial governments and to the central or national governments and their agencies of the United States and Canada.

At the suggestion of the governors and the chairman of the commissions on interstate cooperation of the interested States, the Council of State Governments organized the Great Lakes Seaway and Water Resources Conference in August 1954. In addition to focusing attention on State plans and programs pertaining to the recently approved St. Lawrence Seaway, the conference discussed the Michigan proposal for an interstate commission. A resolution unanimously approved by the conference established an interstate committee to draft a compact and directed the commission to make its report to the interested States at the time of the General Assembly of the States. The Great Lakes Compact Drafting Committee, during the fall of 1954, held a number of meetings and with the cooperation and assistance of representatives of interested Federal agencies has drafted the Great Lakes Basin Compact. The compact will be submitted to governors, commissions on interstate cooperation, and others in each of the Great Lakes States in time for consideration during the 1955 legislative sessions.

EXPLANATION OF THE COMPACT

The Great Lakes Basin Compact provides for representation from each of the Great Lakes States—Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania, and Wisconsin—the Province of Ontario and the Province of Quebec. Special provision is made for participation by the Canadian Provinces in the event that they do not become formal members of the commission.

The authority conferred on the commission follows the lines suggested by the Michigan proposal. It clearly is intended that the commission will be a fact-finding and recommendatory rather than a regulatory agency. Studies undertaken by the commission may relate to any phase of the water resources and their uses in the basin, and the commission may recommend programs and policies to any governmental unit or

agency having interests or jurisdiction in the basin. To assist in the performance of its functions, the commission is authorized to employ a small staff.

Each State, party to the compact, agrees to consider the action the commission recommends. Among the items specifically mentioned in the compact in this connection are the following: (1) Stabilization of lake levels; (2) measures for combating pollution, beach erosion, floods, and shore inundation; (3) uniformity in navigation regulations within the constitutional powers of the States; (4) proposed navigation aids and improvements; (5) uniformity or effective coordinating action in fishing laws and regulations and cooperative action to eradicate destructive and parasitical forces endangering the fisheries, wildlife, and other water resources; (6) suitable hydroelectric power developments; (7) cooperative programs for control of soil and bank erosion for the general improvement of the basin; and (8) diversion of waters from and into the basin.

NATO PARLIAMENTARY CONFERENCE

Mr. JOHNSON of California. 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 California?

There was no objection.

Mr. JOHNSON of California. Mr. Speaker, I merely want to announce to the House that the members of the committee appointed by the Speaker to attend the NATO parliamentary conference in Paris had a very successful mission. We will make a formal report later as to what happened. The reason we are not doing it at this time is that our chairman, the gentleman from Ohio [Mr. HAYS], is unavoidably absent on account of official business. Upon his return he will, I am sure, make a formal and detailed report on what was accomplished and our participation therein. The results were very satisfactory to myself, and I believe as well to the other members of the committee, which consisted of the gentleman from Ohio [Mr. HAYS], chairman, the gentleman from New York [Mr. ANFUSO], the gentleman from Arizona [Mr. UDALL], the gentleman from Indiana [Mr. CRUMPACKER], the gentleman from New York [Mr. BECKER], and myself.

SPECIAL ORDER GRANTED

Mr. POWELL (at the request of Mr. MCCORMACK) was given permission to address the House today for 30 minutes following any special orders heretofore entered.

THIRD ANNIVERSARY OF THE COMMONWEALTH OF PUERTO RICO

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, as a member of the House Committee on Interior and Insular Affairs which has jurisdiction for legislation which involved the political development of Puerto Rico, I rise to give recognition to this third anniversary of the founding of the Commonwealth of Puerto Rico. The Puerto Rican people through their elected leaders asked Congress for authority to organize the Commonwealth Government, and the respective Interior and Insular Affairs Committees of the House and Senate held hearings on the matter, which was thereafter debated in the respective chambers. Authority for the organization of the Commonwealth of Puerto Rico came only after exhaustive study and careful scrutiny of the principles involved. It was my pleasure to participate in the debate in which the issues were weighed.

It is obvious by the action of the Congress that it expected the Commonwealth principles to be workable and successful, but I do not believe that even those who debated for it could have conceived the degree of success with which the Commonwealth principle has worked. This was a brand new idea in the American political system, and by the way, one which might be considered for other unincorporated areas under the flag when they may reach the stage of development which would enable them to so organize.

I have observed that in the 3 years following the emergence of the Commonwealth of Puerto Rico, more and more reference has been made to the island in connection with considerations before the Congress. To me, this is significant as to the awakening of Puerto Rico which only now is in the primary stages of industrial achievement.

An agricultural community, previously with almost entire reliance on the sugar yields, Puerto Rico commenced in 1940 to think in terms of creating additional wealth to raise living standards. This could not be done in agricultural pursuits, alone, since there simply was not enough land to support the number of people living on it. Hence, the first tiny factories began to be built and an agency of the Government of Puerto Rico was created to foment industrial development. I am informed that since then, nearly 400 new industries have opened in Puerto Rico, and that workers' wages in the interim have doubled and redoubled. The result is a rapidly growing middle class to replace the poverty which previously prevailed generally amongst the people. The appalling slums have been greatly reduced in number. Private housing is flourishing. Puerto Rico has also become a leader in public housing.

The Commonwealth Government has devoted staggering sums, considering the size of its total budget, for education so that more children can go to school through more grades.

I have heard some concern about Puerto Rico's factories and their ability to compete with mainland enterprises, but this is like comparing Disneyland with Pittsburgh, industrywise. The industrial effort of Puerto Rico is mighty indeed, but only in the sense of the underdeveloped beginning and the small size of the island, far from raw materials and the market and totally lacking in natural resources.

Obviously, there is still a long road for the Puerto Ricans before they can share economically a success comparable with their mainland brothers. There are 85,000, representing 15 percent, still unemployed out of the total labor force, and a similar number chronically underemployed. If continental workers suffered lack of employment in the same proportion to total numbers, we would consider ourselves in the midst of depression now. But the program toward economic improvement has been started in Puerto Rico and is moving rapidly ahead. Puerto Rico's success in this accelerated development cannot be traced to any single factor. The island has been a going community for nearly 500 years. Its long history as part of the Spanish Empire necessarily involved many problems. Its shorter history of association with the United States has, understandingly, involved more. Like any closely knit peoples, the Puerto Ricans for centuries were concerned about their ultimate political status, but if the tremendous popularity of the leaders of Puerto Rico who inspired the Commonwealth idea is indicative, they have found it. There are still those in minority in Puerto Rico who believe that statehood is the ultimate answer and there are those, also, in minority, who favor independence. However, it is obvious that the overwhelming majority believe that the Commonwealth gives them independence to a degree and resemblance with statehood also to a degree, in such admirable balance that it well answers Puerto Rico's political aspirations.

The basic principle of the Commonwealth Government is that Puerto Rico has been carved into a free state which is associated to, but not incorporated as an integral member of, the Union of States. The general laws of the United States apply to Puerto Rico, but, as with the States, in matters of local concern, the Puerto Rican Legislative Assembly has full responsibility. There is no tariff wall between Puerto Rico and the United States, and goods entering Puerto Rico from foreign sources are subject to the same duties as though they were entering continental United States. Because Puerto Rico has no vote in the Congress, although represented in the Federal sphere of Government, including Congress, by a Resident Commissioner, Puerto Rico is not subject to taxation under the laws of the United States.

Puerto Rico's basic relationships with the United States were agreed to by the Congress and by the people of Puerto Rico in the form of a bilateral compact. These relationships are subject to change in the same way.

The Federal Government operates in Puerto Rico performing the same services generally as in a State of the Union. The Commonwealth Government makes determinations for its people in all matters pertaining to the island. In the international field the United States Government represents Puerto Rico as it does my State of Nebraska and all of the other States.

Puerto Rico is under the protection of the United States as an island, and the citizens of the Commonwealth of Puerto Rico are under the protection of the United States because they are United States citizens. By the same token, Puerto Rican youths are subject to serve their country under the Selective Service System and great numbers of them served without awaiting call.

The Commonwealth of Puerto Rico is an asset to the United States in manpower, in its young industrial potential, in its position as a fortress defending the Panama Canal and in many other ways. But the primary asset to the United States is that the Puerto Ricans are showing what can be accomplished in the happy spirit of a people who might, under another power, be suffering from colonialistic degradation and humiliation. It is this principle the United States extends to its own people in Puerto Rico which illustrates beyond dispute the Nation's adherence to the principles of democratic freedom.

It is such a place as Puerto Rico which is showing to the enslaved peoples of the world the selfish ruthlessness of their masters. It is in the international sense, in the field of goodwill flowing toward us from other nations, particularly in South America, that Puerto Rico is an asset.

The success of the Commonwealth of Puerto Rico is evidence of the wisdom of the United States Congress in its policy toward a people craving self-expression and an opportunity to assume responsibility for themselves.

This anniversary is a fitting time to express the hope that continued wisdom and cooperation may prevail in dealing with problems affecting Puerto Rico which come up for consideration here. Such action will be noted behind the many boundaries in the world.

CALL OF THE HOUSE

Mr. WILLIAMS of Mississippi. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 126]

Anfuso	Eberharter	O'Konski
Avery	Fino	Patman
Bell	Gamble	Perkins
Buchanan	Green, Pa.	Prouty
Budge	Hardy	Radwan
Byrne, Pa.	Hays, Ohio	Reece, Tenn.
Celler	Hillings	Reed, N. Y.
Chase	Kearney	Scrivner
Chiperfield	Kee	Shelley
Chudoff	Keogh	Sieminski
Crumpacker	Kilburn	Steed
Dawson, Ill.	Krueger	Thompson, La.
Diggs	Lesinski	Thomson, Wyo.
Dingell	Miller, Md.	Tollefson
Dodd	Miller, N. Y.	Willis
Donovan	Morrison	Wilson, Calif.
Dorn, N. Y.	Mumma	Winstead

The SPEAKER. Three hundred and sixty-nine Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DISTRICT DAY

The SPEAKER pro tempore (Mr. MILLS). This is District day. The Chair recognizes the gentleman from South Carolina [Mr. McMILLAN].

EXEMPTING FROM TAXATION CERTAIN PROPERTY OF THE JEWISH WAR VETERANS

Mr. McMILLAN. Mr. Speaker, by direction of the House District Committee I call up the bill (S. 1741) to exempt from taxation certain property of the Jewish War Veterans, United States of America National Memorial, Inc., in the District of Columbia and ask unanimous consent that it be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the property situated in lot No. 131 in Elizabeth S. Moore's subdivision of lots in square No. 153, as per plat recorded in liber 28 at folio 107 of the record of the Office of the Surveyor for the District of Columbia; and part of lot No. 73 in Fisher and Sharon's subdivision of square No. 153, as per plat recorded in liber 12 at folio 171 of the records of the Office of the Surveyor for the District of Columbia, owned by the Jewish War Veterans, U. S. A. National Memorial, Inc., is hereby exempt from all taxation so long as the same is owned and occupied by the Jewish War Veterans, U. S. A. National Memorial, Inc., and is not used for commercial purposes, subject to the provisions of section 2, 3, and 5 of the act entitled "An act to define the real property exempt from taxation in the District of Columbia," approved December 24, 1942 (56 Stat. 1091; D. C. Code, secs. 47–801b, 47–801c, and 47–801e).

Mr. McMILLAN. Mr. Speaker, the purpose of this legislation is to grant to the Jewish War Veterans, U. S. A. National Memorial, Inc., tax exemptions on certain real estate owned in the District of Columbia; namely, lot 131 in square 153 and part of lot No. 73 in square 153.

The tax exemption would apply so long as the property is owned and occupied by that organization and is not used for commercial purposes.

Such an exemption was granted in the 73d Congress, Public Law 335, to the American Legion; in the 70th Congress, Public Law 380, to the Disabled American Veterans; in the 82d Congress, Public Law 421, to the American Veterans of World War II, and in the 83d Congress, Public Law 510, to the Veterans of Foreign Wars of the United States in the District of Columbia.

The loss of revenue from annual real estate taxes on this property, under present valuation, amounts to $988.98.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REPEALING REQUIREMENT THAT PUBLIC UTILITIES ENGAGED IN THE MANUFACTURE AND SALE OF ELECTRICITY MUST SUBMIT ANNUAL REPORTS TO CONGRESS

Mr. McMILLAN. By direction of the House District Committee I call up the bill (S. 2176) to repeal the requirement that public utilities engaged in the manufacture and sale of electricity in the District of Columbia must submit annual reports to Congress and ask unanimous consent that it be considered in the House as in the Committee of the Whole House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the last paragraph under the center heading "Electrical Department" 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, 1908, and for other purposes," approved March 2, 1907 (D. C. Code, sec. 43–1109), is amended by striking out ": *Provided,* That any company," and all that follows down through "December 31, 1906."

Mr. McMILLAN. Mr. Speaker, the purpose of this bill is to repeal existing law that requires any public utilities company, association, or corporation engaged in the manufacture and sale of electricity for illuminating or heating or power purposes, or either, in the District of Columbia to submit annual reports to Congress. The law requiring the filing of these reports was adopted March 2, 1907. Since that time, however, Congress has delegated the supervision of public service corporations such as the Potomac Electric Power Co. to the Public Utilities Commission of the District of Columbia, created by law in 1913, and to the Federal Power Commission by a law enacted in 1938.

In addition to monthly and other reports, the Potomac Electric Power Co. is required to file annual reports of a voluminous and detailed nature with the Public Utilities Commission, and is also required to file certain reports with the Federal Power Commission, the Maryland Public Service Commission, the Virginia State Corporation Commission, and the Securities and Exchange Commission.

The reports to Congress are now required to include a list of the names of the shareholders, a requirement which makes the report voluminous, and which is believed to be without a useful purpose and mere surplusage under present conditions. A committee of Congress can, of course, secure these lists from a utility company whenever the information is desired. The reports are public documents and as such are available for public examination under the rules and regulations of each of the regulatory agencies.

Public Law 90 of the 83d Congress repealed a similar statutory provision with respect to any association or corporation engaged in the manufacture and sale of

gas for illuminating and fuel purposes in the District of Columbia.

The Public Utilities Commission of the District of Columbia has no objection to this legislation.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REPEALING PROHIBITION AGAINST THE DECLARATION OF STOCK DIVIDENDS BY PUBLIC UTILITIES OPERATING IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, by direction of the House District Committee I call up the bill (S. 2177) to repeal the prohibition against the declaration of stock dividends by public utilities operating in the District of Columbia and ask unanimous consent that it be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That paragraph 75 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 (D. C. Code, sec. 43–804), which provides that no public utility shall declare any stock, bond, or scrip dividend or divide the proceeds of the sale of any stock, bond, or scrip among its stockholders, is hereby repealed.

SEC. 2. Paragraph 73 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 (sec. 43–802, D. C. Code; 37 Stat. 990), be amended to read as follows: "That no public utility shall hereafter issue any stocks, stock certificates, bonds, mortgages, or any other evidences of indebtedness payable in more than 1 year from date, or pay any stock, bond, or scrip dividend, until it shall have first obtained the certificate of the commission showing authority for such issue from the Commission."

Mr. McMILLAN. Mr. Speaker, the purpose of this bill is to repeal paragraph 75 of the act creating the Public Utilities Commission of the District of Columbia, approved March 4, 1913. This paragraph provides that "no public utility shall declare any stock, bond, or scrip among its stockholders." The proposed bill would repeal this provision, but the committee is of the opinion that a stock dividend would still require approval of the Public Utilities Commission under the provisions of paragraph 73. However, to remove any doubt as to such authority, the above amendment has been recommended.

Repeal of the provision in question will enable the various public utilities to improve their capital structure, when appropriate, by adding flexibility to their future operations. The utilities serving Washington face continued financing programs of large magnitude, which are required by the necessity for additional capital funds to enable them to install the physical facilities required to serve the expanding population of this area. It is believed that their financing transactions can be improved to a great extent if the prohibition against the declaration of stock dividends is eliminated.

The Public Utilities Commission has approved this legislation, as amended.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REVIVING SECTION 3 OF THE DISTRICT OF COLUMBIA PUBLIC SCHOOL FOOD SERVICES ACT

Mr. McMILLAN. Mr. Speaker, by direction of the Committee on the District of Columbia I call up the bill (S. 665) to revive section 3 of the District of Columbia Public School Food Services Act and ask unanimous consent that it be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, effective October 8, 1951, section 3 of the act entitled "an act to establish a Department of Food Services in the Public Schools of the District of Columbia, and for other purposes," approved October 8, 1951 (Public Law 159, 82d Cong.), is hereby revived and section 3 of the act entitled "an act to increase the salaries of the Metropolitan Police, the United States Park Police, the White House Police, members of the Fire Department of the District of Columbia and employees of the Board of Education of the District of Columbia," approved October 25, 1951 (Public Law 207, 82d Cong.), is hereby repealed.

With the following committee amendment:

Page 2, after line 3, insert the following:

"SEC. 2. The second sentence of section 8 of the act entitled 'An act for the retirement of public-school teachers in the District of Columbia,' approved August 7, 1946, as amended, is amended by inserting immediately before the colon immediately preceding the first proviso thereof the following: '; and (f) continuous temporary service as an employee of any cafeteria or luncheon operated in the public school buildings of the District of Columbia during any period prior to the date on which such cafeteria or lunchroom is placed under the Office of Central Management, Department of Food Services, District of Columbia, and immediately prior to probationary appointment as a teacher in the public schools of the District of Columbia'."

Mr. McMILLAN. Mr. Speaker, the purpose of this bill is to revive section 3 of the act establishing a Department of Food Services in the Public Schools of the District of Columbia—Public Law 159, 82d Congress—and to repeal section 3 of the act increasing the salaries of the Metropolitan Police, the United States Park Police, the White House Police, members of the Fire Department of the District of Columbia, and employees of the Board of Education of the District of Columbia—Public Law 207, 82d Congress.

Prior to the act of October 8, 1951, which established the Department of Food Services in the Public Schools of the District of Columbia, persons that worked in the school lunchrooms were employed by the principals of the respective schools. Because the principals administered the operation of the cafeterias, the employees were not considered eligible for retirement benefits under the Civil Service Retirement Act, nor were they deemed eligible for social-security benefits, inasmuch as the Social Security Administration ruled that the public-school cafeteria operation was quasi-public in nature and could not be included under the provisions of the Social Security Act.

The act of October 8, 1951—Public Law 159—contained therein a section which provided that any such person who becomes an employee of the Department of Food Services in the public schools could have such prior service treated as Government service for the purpose of the Civil Service Retirement Act. Each such person would be required to make deposits covering such service to the same extent he would have made deposits had he been an employee of the Government.

Section 3 of Public Law 159, as set forth above, was repealed by section 3 of Public Law 207, 82d Congress, approved October 25, 1951, and at the present time, persons who were employed in the public-school cafeterias and who have become employees of the Government, would not be permitted to count the service rendered in the school cafeterias prior to the time the cafeterias were taken over by the Government. It is felt by the committee that this is entirely inequitable for those employees.

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING BOARD OF EDUCATION TO BORROW MOTOR VEHICLES

Mr. DAVIS of Georgia. Mr. Speaker, by direction of the House Committee on the District of Columbia, I call up the bill (H. R. 7061) to authorize the Board of Education of the District of Columbia to borrow motor vehicles for use in a motor vehicle driver education and training course in the public schools of the District of Columbia, to excuse the owners of vehicles loaned to public, private, or parochial schools for driver-training purposes from the payment of certain fees and taxes during the period of such loan, and for other purposes, and ask unanimous consent that it be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Board of Education of the District of Columbia is hereby authorized, in connection with the conduct in the public schools of the District of a motor vehicle driver education and training course in the safe and proper operation of motor vehicles, to borrow motor vehicles and to return the same to the lenders on such terms and conditions as may be agreed upon between the Board and the lenders.

SEC. 2. (a) Whenever the owner of a motor vehicle lends such vehicle to the Board of Education for use in connection with the said course on driver training, or to the person in charge of a nonprofit private or parochial school for use in any course on driver training which may be conducted in such private or parochial school, such owner shall, but only for the period such vehicle is actually under the control of said Board or the person in charge of said school and is assigned for use in connection with the said course in driver training, be excused from paying, with respect to such vehicle, the fees and taxes imposed by or under the authority of the following acts of Congress:

(1) Subsection (j) of section 6 of the act entitled "District of Columbia Traffic Act, 1925", approved March 3, 1925, as amended (sec. 40–603 (j), D. C. Code, 1951 edition).

(2) Section 3 of title IV of the act approved August 17, 1937, as amended (sec. 40–103, D. C. Code, 1951 edition).

(3) The first section of the act approved February 18, 1938, as amended (sec. 40–201, D. C. Code, 1951 edition): *Provided*, That any such vehicle shall nevertheless be subject to inspection, as required by section 3 of article IV of the act approved July 16, 1947 (sec. 40–204, D. C. Code, 1951 edition), and the validity of such inspection shall expire upon the date such vehicle is returned to its owner.

(4) Section 6 of the act approved July 1, 1902, as amended (sec. 47–1212, D. C. Code, 1951 edition).

(b) For the purposes of this act, the term "nonprofit private or parochial school" shall mean any school the real property of which is exempt from taxation in the District of Columbia under the authority contained in paragraph (j) of the first section of the act approved December 24, 1942, as amended (56 Stat. 1089; sec. 47–801a (j), D. C. Code, 1951 edition).

SEC. 3. Each motor vehicle borrowed by the Board of Education or the person in charge of a nonprofit private or parochial school for use in a driver training course shall, upon its return to the lender, thereafter be subject to the taxes and fees established or authorized to be charged by the acts of Congress listed in section 2 hereof.

SEC. 4. Whenever any motor vehicle is loaned to the Board of Education or to a nonprofit private or parochial school for use in conducting a course in driver education and training, said Board or the person in charge of such private or parochial school shall furnish the Commissioners of the District of Columbia with a certificate that the vehicle is to be used in connection with such course. The Commissioners are authorized, upon receiving any such certificate, to issue without charge to said Board or to the person in charge of said school, special registration plates distinctively marked to indicate that the vehicle is being used in such course. Such plates shall be returned to the Commissioners when the vehicle is returned to its owner, or its use in connection with such course is terminated. Any vehicle not so certified and not so identified shall not be exempt from the fees and taxes listed in section 2 hereof.

SEC. 5. The Commissioners and the Board of Education of the District of Columbia are authorized to promulgate regulations to carry out the purposes of this act and to delegate any of the functions to be performed by them.

SEC. 6. This act shall become effective on and after the first day of September 1955, and the Commissioners are authorized to refund to the owner of a vehicle loaned to the Board of Education or to a nonprofit private or parochial school after that date, for use in a driver education and training program, the fees and taxes said owner paid to the District of Columbia with respect to such vehicle during the registration year beginning April 1, 1955, as may have been required by the acts of Congress listed in paragraphs numbered (1), (2), and (3) of section 2 of this act.

Mr. DAVIS of Georgia. Mr. Speaker, the purpose of this legislation is to authorize the Board of Education of the District of Columbia to borrow motor vehicles for use in a motor-vehicle driver education and training course in the public schools of the District of Columbia, and to excuse the owners of vehicles loaned to the schools for driver-training purposes from the payment of certain fees and taxes during the period of the loan.

Under existing law motor-vehicle dealers who have been kind enough to lend vehicles for use in this program have been required to undergo considerable expense in connection with such loan. They are required to register the vehicle and to pay the 2-percent excise tax thereon in connection with such registration, and even though the vehicle is not in their possession for 9 months of the tax year, they must pay a personal-property tax on such vehicle as part of their stock in trade. It has been the practice, however, since the vehicles are used as part of a public-education program, to excuse the dealers from paying the registration fee on the vehicle during such time as it is made available to the Board of Education.

The Commissioners feel that since the dealers have been under a considerable burden and that since this program is of great value to the citizens of the District of Columbia, that these dealers should be exempt from the payment of certain taxes and fees on vehicles loaned by them to the school system for driver-training purposes.

This legislation also proved that upon the return of the loaned vehicle to the lender it shall become subject to the taxes and fees from which theretofore it has been exempt.

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.

INCREASING THE SALARIES OF OFFICERS AND MEMBERS OF THE METROPOLITAN POLICE FORCE, AND THE FIRE DEPARTMENT, OF THE DISTRICT OF COLUMBIA, THE UNITED STATES PARK POLICE, AND THE WHITE HOUSE POLICE

Mr. DAVIS of Georgia. Mr. Speaker, I call up the bill (H. R. 7159) to increase the salaries of officers and members of the Metropolitan Police force, and the Fire Department, of the District of Columbia, the United States Park Police, the White House Police, and for other purposes, and I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 101 of the District of Columbia Police and Firemen's Salary Act of 1953 (Public Law 74, 83d Cong.), as amended, is amended to read as follows:

"SEC. 101. (a) Except as provided in subsection (b) or (c), the annual basic salaries of the officers and members of the Metropolitan Police force shall be at the rates set forth in the following table:

"Chief of Police	$13,438
Deputy Chiefs	9,094
Inspectors	8,335
Captains	7,085
Lieutenants	6,460
Sergeants	5,936
Corporals	5,472
Private, class 4 (3 or more years' service)	4,990
Private, class 3 (2 or more but less than 3 years' service)	4,707
Private, class 2 (1 or more but less than 2 years' service)	4,424
Private, class 1 (less than 1 year's service)	4,193

All original appointments of privates shall be made at the annual basic salary of $4,193 and the first year of service shall be probationary.

"(b) The annual basic salary of a private of any class of the Metropolitan Police force shall be increased by—

"(1) $1,290, while he is assigned to duty as a detective sergeant;

"(2) $500, while he is assigned to duty as a precinct detective;

"(3) $323, while he is assigned to duty as a station clerk;

"(4) $291, while he is assigned to duty as a probational detective; or

"(5) $420, while he is assigned to duty as a motorcycle officer.

Paragraph (5) of this subsection shall apply to any officer below the grade of lieutenant.

"(d) Subject to the approval of the Commissioners, the annual basic salary of a private of the Metropolitan Police force shall be increased by an amount not to exceed $420 while he is assigned to duty as a technician."

SEC. 3. Section 102 (a) of the District of Columbia Police and Firemen's Salary Act of 1953 is amended by striking out "$120" and "$200" and inserting in lieu thereof "$129" and "$215", respectively.

SEC. 3. Section 201 of the District of Columbia Police and Firemen's Salary Act of 1953 is amended to read as follows:

"SEC. 201. (a) Except as provided in subsection (b) or (c), the annual basic salaries of the officers and members or the Fire Department of the District of Columbia shall be at the rates set forth in the following table:

"Fire Chief	$13,438
Deputy fire chiefs	9,094
Superintendent of machinery	9,094
Fire marshal	9,094
Battalion fire chiefs	8,335
Assistant superintendent of machinery	8,335
Deputy fire marshal	8,335
Captains	7,085
Pilots	6,803
Marine engineers	6,803
Lieutenants	6,460
Sergeants	5,936
Assistant pilots	5,416
Assistant marine engineers	5,416
Inspectors	5,174

"Private, class 4 (three or more years' service)	$4,990
Private, class 3 (2 or more but less than 3 years' service)	4,707
Private, class 2 (1 or more but less than 2 years' service)	4,424
Private, class 1 (less than 1 year's service)	4,193

All original appointments of privates shall be made at the annual basis salary of $4,193 and the first year of service shall be probationary.

"(b) The annual basic salary of a private of any class of the Fire Department of the District of Columbia shall be increased by—

"(1) $420, while he is assigned to duty as an aid to the Fire Chief or to a deputy or battalion fire chief;

"(2) $224, while he is assigned to duty as a regular first driver-operator of a fire department hose wagon, aerial ladder truck, rescue squad, or fire department ambulance;

"(3) $420 while he is assigned to duty as a chief radio technician; and

"(4) $224, while he is assigned to duty as a chief photographer.

"(c) Subject to the approval of the Commissioners, the annual basic salary of a private or an inspector of the Fire Department of the District of Columbia shall be increased by an amount not to exceed $420 while he is assigned to duty as a technician."

SEC. 4. Section 202 (a) of the District of Columbia Police and Firemen's Salary Act of 1953 is amended by striking out "$120" and "$200" and inserting in lieu thereof "$129" and "$215", respectively.

SEC. 5. (a) Retroactive salary shall be paid by reason of this act only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or the municipal government of the District of Columbia on the date of enactment of this act, except that retroactive salary shall be paid (1) to an officer or member of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, or the White House Police force, who retired during the period beginning on the first day of the first pay period which began after February 28, 1955, and ending on the date of enactment of this act for services rendered during such period, and (2) in accordance with the provisions of the act of August 3, 1950 (Public Law 636, 81st Cong.), as amended (5 U. S. C., secs. 63f–63k), for services rendered during the period beginning on the first day of the first pay period which began after February 28, 1955, and ending on the date of enactment of this act by an officer or member who dies during such period.

(b) For the purposes of this section, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

SEC. 6. (a) This act shall take effect as of the first day of the first pay period which began after February 28, 1955.

(b) For the purpose of determining the amount of insurance for which an individual is eligible under the Federal Employees' Group Life Insurance Act of 1954, all changes in annual basic salary which result from the enactment of this act shall be held and considered to be effective as of the first day of the first pay period which begins on or after the date of such enactment.

With the following committee amendment:

On page 3, line 1, strike "(d)" and insert "(c)."

Mr. DAVIS of Georgia. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the purpose of this legislation is to increase the salaries of all the members of the Metropolitan Police force, the White House Police, the Park Police, and the Fire Department of the District of Columbia by 7½ percent, this figure being in line with that granted to the Federal and District of Columbia classified employees in similar legislation.

The salary raise would also be retroactive to March 1, 1955. The total cost involved under this legislation is approximately $1,500,000.

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was 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.

PROVIDE COMPENSATION FOR DUTY PERFORMED ON DAYS OFF

Mr. DAVIS of Georgia. Mr. Speaker, I call up the bill (H. R. 2601) to provide for the payment of compensation to officers and members of the Metropolitan Police force, the United States Park Police force, the White House Police force, and the Fire Department of the District of Columbia, for duty performed on their days off, when such days off are suspended during an emergency, and I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the first section of the act entitled "An act to provide a 5-day week for officers and members of the Metropolitan Police force, the United States Park Police force, and the White House Police force," approved August 15, 1950, as amended (D. C. Code, sec. 4–904), is amended by adding at the end thereof the following new subsection:

"(f) Whenever the granting of days off has been suspended and discontinued pursuant to this section, each officer and member shall be entitled to receive, in addition to his annual basic salary, compensation at the basic daily rate for each day of duty which he performs by reason of the suspension and discontinuance of his days off under this section. Any officer or member so performing duty shall be entitled to all rights, benefits, and privileges, and shall be subject to all obligations and duties to which he is entitled or to which he is subject on any regular workday. Such compensation shall be treated for the purpose of computing retirement compensation of relief payments, or for deduction, in the same manner as is compensation for duty voluntarily performed under subsection (e) of this section."

SEC. 2. Subsection (b) of section 2 of the act entitled "An act to amend the act entitled 'An act to classify the officers and members of the Fire Department of the District of Columbia, and for other purposes', approved June 20, 1906, and for other purposes," approved June 19, 1948 (62 Stat. 499), is amended by adding at the end thereof the following: "Whenever the granting of days off has been suspended and discontinued pursuant to this subsection, each officer and member shall be entitled to receive, in addition to his annual basic salary, compensation at the basic daily rate for each day of duty which he performs by reason of the suspension and discontinuance of his days off under this subsection. Any officer or member so performing duty shall be entitled to all rights, benefits, and privileges, and shall be subject to all obligations and duties, to which he is entitled or to which he is subject on any regular workday. Additional compensation paid under this subsection shall not be considered as salary for the purpose of computing retirement compensation or relief payments under section 12 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, 1917, and for other purposes', approved September 1, 1916, as amended, nor shall such additional compensation be subject to deduction as provided in section 5 of the act entitled 'An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia', approved July 1, 1930, as amended."

SEC. 3. This act shall take effect on the first Sunday following the date of its enactment.

With the following committee amendment:

Page 3, strike out lines 22 and 23 and insert:

"SEC. 3. This act shall take effect July 1, 1955."

Mr. DAVIS of Georgia. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, this is a bill which was introduced by the gentleman from Pennsylvania [Mr. KEARNS]. The purpose of it is to pay officers and members of the Metropolitan Police Department, the United States Park Police, the White House Police Force, and the Fire Department of the District of Columbia for days off when they work when an emergency has been declared by the Commissioners of the District of Columbia.

During the present emergency which has been occasioned by the transit strike, members of the Metropolitan Police Department are working 7 days a week for 5 days' pay. They do not get a cent for working on Saturday and Sunday, and this bill proposes to pay those men 7 days' pay for 7 days' work, not at overtime rates but at basic straight-time pay. All of these policemen are now working 7 days a week and are not getting a penny for working these 2 extra days, Saturday and Sunday. When this bill is passed, they still will not be getting paid for all the extra work they are doing. I call the attention of the House to this, that they will get pay for 2 extra days which they are now working, at the regular rate of pay, and that is pay supposed to be given them for an 8-hour day. They are not working an 8-hour day now; they are working, some of them 10, some 12, possibly more than that, hours per day. And, I call the attention of the House to the fact that between July 1, when this strike started, and July 14, when the computation was made, they had worked a total of 7,639 days, that is, the police force had, more than they had been paid for. That is at the 8-hour rate. Now, in addition to that, they have worked 21,048 hours over

the regular 8-hour tour of duty, which makes a total of 2,631 days in addition to the regular 8-hour days, which total up 7,639 days.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman, I am sure, knows my record of conservatism with respect to salary increases. However, here is a compensatory measure that is well justified, and I will be happy to support it.

Mr. DAVIS of Georgia. I appreciate very much the gentleman's observation, and I do know his conservative record with reference to economy, and I join with him. And, I feel that all the Members of the House who know the situation here will join in concurring in this bill.

That, I believe, Mr. Speaker, gives us the basic facts about the bill.

Mr. O'HARA of Minnesota. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I think that every Member of the House is familiar with the fine record of the Police Department and the Fire Department of the District of Columbia. I think under Chief Murray particularly in the last 2 or 3 years we have had one of the most efficient police forces in the United States.

Mr. Speaker, we just passed the bill H. R. 7150 which increased the pay of the police force of the District of Columbia by $1½ million. I was very much for that bill. On the last District Day we passed a police bill which permitted certain funds paid by licensees in the District of Columbia for overtime to go into a police fund which, in turn, is paid to policemen who perform these overtime services. The previous policemen's and firemen's increase of a year or so ago in addition was considerably larger than the increase given to other employees. All of those were fine. I think they were entitled to those increases. But now we are being asked to provide an additional pay increase for overtime.

I think I know what has been going on in the city of Washington for the last 15 years, as does the gentleman from Georgia [Mr. DAVIS]. I am perfectly familiar with the splendid job the policemen have done in this current strike situation. It has been a magnificent performance. But, Mr. Speaker, it is my view that that is their business and their responsibility. I realize that while they are not hired on a 40-hour-a-week basis, they do try to operate, as an administrative matter, on the basis of 5 days a week, with 2 days off, under ordinary conditions. That is all right. But I say that a policeman or a fireman or a soldier is on duty 365 days of the year. I opposed this bill in the committee because I think we are going too far in this pay increase matter. I have had no objection to the normal 7½ percent increase, which will cost the District of Columbia $1,500,000 for the police and firemen alone. We are giving a healthy increase to the teachers. They are entitled to that. We are already in a difficult fiscal situation in the District of Columbia. I realize that this has been a pay-increase year, but I do think that we are going to break the camel's back one of these days by going too far with these pay increases, to the point where the people are going to revolt.

Mr. AUCHINCLOSS. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. AUCHINCLOSS. Mr. Speaker, I would like to say to the gentleman from Minnesota [Mr. O'HARA] that I concur in the remarks that he makes. I opposed this bill in the committee. I think we have a police force to face emergencies. It is the duty of policemen to meet those emergencies and protect the well-being of the citizens of the community, without expecting extra pay for that service. I very much approve paying policemen the very highest salary, particularly in this city at least a wage that is comparable to wages paid in any other city of comparable size.

Mr. O'HARA of Minnesota. The gentleman feels as I do. He has been for all these increases except this overtime business.

Mr. AUCHINCLOSS. I do not know of any city in the country that pays overtime of this nature.

Mr. O'HARA of Minnesota. I know of none, either.

Mr. AUCHINCLOSS. I have had some experience in police work and I think this is a mistake. I know that to oppose this legislation is probably not the popular thing to do. But it would be contrary to my better judgment to support this bill.

Mr. O'HARA of Minnesota. Mr. Speaker, I thank the gentleman.

I would like to say that I am sorry I feel so strongly about this matter. But when we get to the business of figuring up that a policeman would then be working 5 days a week, 8 hours a day, and stop, if we did that we would be creating a bad precedent.

I hope this bill will be voted down.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. MILLS). Evidently a quorum is not present.

Mr. HALEY. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 127]

Avery	Gamble	Perkins
Barden	Green, Pa.	Pillion
Baumhart	Hardy	Reece, Tenn.
Bonner	Hays, Ohio	Reed, N. Y.
Buchanan	Hayworth	Robsion, Ky.
Budge	Hillings	Scrivner
Burnside	Kearney	Shelley
Byrne, Pa.	Kee	Sieminski
Chase	Keogh	Taylor
Chiperfield	Kilburn	Thompson, La.
Chudoff	King, Pa.	Thompson, Mich.
Crumpacker	Krueger	Thompson, N. J.
Dawson, Ill.	Latham	Tollefson
Diggs	Lesinski	Watts
Dingell	Long	Willis
Dodd	Miller, N. Y.	Wilson, Calif.
Dorn, N. Y.	Morrison	Winstead
Eberharter	Mumma	Wolcott
Fino	O'Konski	

The SPEAKER pro tempore. On this rollcall 370 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON RULES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a privileged report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may be permitted to sit for the balance of the week during general debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. ROGERS of Texas. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs may be permitted to sit during general debate this afternoon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PROVIDE COMPENSATION FOR DUTY PERFORMED ON DAYS OFF

Mr. DAVIS of Georgia. Mr. Speaker, I would like to make just this further statement about the bill now under consideration, H. R. 2601.

The gentleman from Minnesota has referred to a bill which was passed here on the last District Day which he said would pay police for extra service, that is, pay them extra for extra service. Now, that bill to which the gentleman refers was not passed for the benefit of policemen; it was passed for the benefit of the people of the District of Columbia to permit a pool of off-duty policemen to be called into service and to serve at such places as Uline's Arena, the ball park, and the armory, because under existing law those place are now policed by calling police from some other place where they are on active service. And, of course, it pulls policemen away from the places where they are needed in order to serve at these places. That bill was not passed for the benefit of the policemen; it was passed to give more protection to the people of the District of Columbia.

This bill which we are now considering is a bill to do justice and equity to the police. The police are now working Saturdays and Sundays that they would normally be off and are not getting paid for those 2 days. They are the only Federal employees that I know

of who work on their off time and do not get a cent for it. When other Federal employees work on their off days, they not only get paid the regular rate but they get paid at overtime rates. This bill will not pay the police any overtime rates; it will simply pay those who are now working 7 days a week for the Saturdays and Sundays that they otherwise would have off to be with their families and attending to their own affairs. These things add up to a great deal, so far as the morale of the department is concerned. If police were hired with the knowledge that they would have to work 7 days a week for only 5 days' pay, a great many of the men who now make application for these jobs would pass them up for employment in private industry. They are not getting paid overtime rates under this bill.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Oklahoma.

Mr. ALBERT. The bill which the gentleman is discussing would give them pay for the work they have done during this bus strike?

Mr. DAVIS of Georgia. It would not give them pay for all the work which they have done. It would pay them for the extra 2 days, on an 8-hour basis. But, as I said previously, they have been working not merely 8 hours a day and on Saturdays and Sundays, but some of them have been working 10 hours and 12 hours a day.

Mr. ALBERT. Mr. Speaker, I agree with the gentleman, and I want to commend him on his statement. I think everybody who lives or works in Washington owes a debt of gratitude to these men for the manner in which they have handled the traffic during this strike.

Mr. DAVIS of Georgia. I appreciate very much the remarks of the distinguished gentleman from Oklahoma. This bill is one to do simple justice and equity to these police. It came out of the committee by an overwhelming vote, and I hope it will pass the House in the same way.

Mr. KEARNS. Mr. Speaker, I move to strike out the requisite number of words.

I personally want to commend the subcommittee and the full committee for reporting this bill out. Each and every one of us here realizes what a job it is today to be the head of a police department in a city like this metropolitan city. Each and every Member of Congress should be very grateful that we have a man like Mr. Murray to do the job that is required to be done here in the Nation's Capital. I do not know of any other Federal employees who are asked to work Saturdays and Sundays without receiving any compensation for it. This bill merely does what we should have done 2 or 3 years ago, give this extra compensation when work is performed that is deserving of the pay.

Mr. O'HARA of Minnesota. Mr. Speaker, I move to strike out the last three words.

Mr. Speaker, I want to correct the statement which I made before as to the possible cost of this bill. I do not know that there can be any accurate estimate of it, but I want to call attention to the fact that we are talking about an emergency condition, such as the present transit strike. This bill does not only deal with emergencies—but covers overtime generally. No one knows how much this bill will cost.

Let me call attention to the fact that in addition to the $1½ million increase in salary in the regular bill just passed, the cost under this bill from July 1 through July 14 would represent a total of 7,639 days claimed to have been lost. The estimated cost of this period is approximately $154,079. That is what it would cost for 14 days. If it were to apply to emergency conditions, there might be every justification for it. But this applies to any time that policemen work overtime, during the 365 days of the year. Whether the bill is going to cost $500,000 or another $1 million, I do not think anyone can tell. The very fact that we have acknowledged that the Police Department is an excellent Police Department, and that they are entitled to an increase in regular salary is no reason for loading onto the fiscally broke District of Columbia an additional cost for their doing a good job. That is what they are there for.

I want to say that I do hope that in this hysteria of salary raising we are not going to become completely unrealistic to the facts of life and to the administration of what is a good police department. They will get along very well without this additional increase.

I do oppose the principle that every time a policeman has to be called to work overtime he should be paid for it.

Mr. Speaker, I repeat, I am opposed to this kind of legislation, and I hope the bill will be voted down.

Mr. BROYHILL. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I rise in support of this legislation. I think we all agree that members of the Metropolitan Police force are somewhat like members of the Armed Forces and somewhat like Members of Congress. We are on duty 24 hours a day, subject to call at any time. Certainly it would be very difficult to work out any legislation or any program to compensate the members of the Police Department for every small portion of overtime they may be called upon to perform; yet I think every member of this body will agree that members of the Police Department like any other American citizens or any other human beings are entitled to a certain number of days off for necessary rest, refreshment, and relaxation.

Mr. DAVIS of Georgia. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield.

Mr. DAVIS of Georgia. The gentleman from Minnesota has just made the remark that this bill does not apply to emergencies. I call the attention of the House to the fact that the very title of the bill itself carries the language that the bill provides for the payment of compensation to these officers for a duty performed on their days off, when such days off are suspended during an emergency.

Mr. BROYHILL. I do not believe it is the intent of the existing law for the members of the Metropolitan Police force to be required to work 7 days a week for an indefinite period of time. Certainly it appears right now that no action will be taken by Congress this session to bring about a cessation of the current strike. In view of that, we could easily predict that this strike may go on for an indefinite period of time. I do not believe any Member of this body expects the members of the police force to continue working 7 days a week for an indefinite period of time without proper compensation. I therefore urge the approval of this bill.

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. McMILLAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar Senate bill (S. 2427) to provide for the payment of compensation to officers and members of the Metropolitan Police force, the United States Park Police force, the White House Police force, and the Fire Department of the District of Columbia, for duty performed on their days off, when such days off are suspended during an emergency.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. O'HARA of Minnesota. Mr. Speaker, reserving the right to object, what is the difference between the Senate bill and the House bill?

Mr. DAVIS of Georgia. There is no difference, so I am informed. But the Senate bill has been passed by the other body, and by substituting it for our House bill, which has just been passed, of course, as the gentleman knows, that would eliminate the necessity for a conference.

Mr. O'HARA of Minnesota. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia [Mr. DAVIS]?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the first section of the act entitled "An act to provide a 5-day week for officers and members of the Metropolitan Police force, the United States Park Police force, and the White House Police force," approved August 15, 1950, as amended (D. C. Code, sec. 4–904), is amended by adding at the end thereof the following new subsection:

"(f) Whenever the granting of days off has been suspended and discontinued pursuant to this section, each officer and member shall be entitled to receive, in addition to his

annual basic salary, compensation at the basic daily rate for each day of duty which he performs by reason of the suspension and discontinuance of his days off under this section. Any officer or member so performing duty shall be entitled to all rights, benefits, and privileges, and shall be subject to all obligations and duties to which he is entitled or to which he is subject on any regular workday. Such compensation shall be treated for the purpose of computing retirement compensation or relief payments, or for deduction, in the same manner as is compensation for duty voluntarily performed under subsection (e) of this section."

SEC. 2. Subsection (b) of section 2 of the act entitled "An act to amend the act entitled 'An act to classify the officers and members of the Fire Department of the District of Columbia, and for other purposes', approved June 20, 1906, and for other purposes", approved June 19, 1948 (62 Stat. 499), is amended by adding at the end thereof the following: "Whenever the granting of days off has been suspended and discontinued pursuant to this subsection, each officer and member shall be entitled to receive, in addition to his annual basic salary, compensation at the basic daily rate for each day of duty which he performs by reason of the suspension and discontinuance of his days off under this subsection. Any officer or member so performing duty shall be entitled to all rights, benefits, and privileges, and shall be subject to all obligations and duties, to which he is entitled or to which he is subject on any regular workday. Additional compensation paid under this subsection shall not be considered as salary for the purpose of computing retirement compensation or relief payments under section 12 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, 1917, and for other purposes', approved September 1, 1916, as amended, nor shall such additional compensation be subject to deduction as provided in section 5 of the act entitled 'An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia', approved July 1, 1930, as amended."

SEC. 3. This act shall take effect on July 1, 1955.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The proceedings whereby a similar House bill (H. R. 2601) was passed were vacated and that bill was laid on the table.

METROPOLITAN POLICE FORCE, FIRE DEPARTMENT, ETC.

Mr. DAVIS of Georgia. Mr. Speaker, I call up Senate bill (S. 2428) to increase the salaries of officers and members of the Metropolitan Police force, and the Fire Department of the District of Columbia, the United States Park Police, and the White House Police, and for other purposes and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 101 of the District of Columbia Police and Firemen's Salary Act of 1953 (Public Law 74, 83d Cong.), as amended, is amended to read as follows:

"SEC. 101 (a) Except as provided in subsection (b) or (c), the annual basic salaries of the officers and members of the Metropolitan Police force shall be at the rates set forth in the following table:

"Chief of Police	$13,438
Deputy Chiefs	9,094
Inspectors	8,335
Captains	7,085
Lieutenants	6,460
Sergeants	5,936
Corporals	5,472
Private, class 4 (3 or more years' service)	4,990
Private, class 3 (2 or more but less than 3 years' service)	4,707
Private, class 2 (1 or more but less than 2 years' service)	4,424
Private, class 1 (less than 1 year's service)	4,193

All original appointments of privates shall be made at the annual basic salary of $4,193 and the first year of service shall be probationary.

"(b) The annual basic salary of a private of any class of the Metropolitan Police force shall be increased by—

"(1) $1,290, while he is assigned to duty as a detective sergeant;

"(2) $500, while he is assigned to duty as a precinct detective;

"(3) $323, while he is assigned to duty as a station clerk;

"(4) $291, while he is assigned to duty as a probational detective; or

"(5) $420, while he is assigned to duty as a motorcycle officer.

Paragraph (5) of this subsection shall apply to any officer below the grade of lieutenant.

"(c) Subject to the approval of the Commissioners, the annual basic salary of a private of the Metropolitan Police force shall be increased by an amount not to exceed $420 while he is assigned to duty as a technician."

SEC. 2. Section 102 (a) of the District of Columbia Police and Firemen's Salary Act of 1953 is amended by striking out "$120" and "$200" and inserting in lieu thereof "$129" and "$215", respectively.

SEC. 3. Section 201 of the District of Columbia Police and Firemen's Salary Act of 1953 is amended to read as follows:

"SEC. 201. (a) Except as provided in subsection (b) or (c), the annual basic salaries of the officers and members of the Fire Department of the District of Columbia shall be at the rates set forth in the following table:

"Fire Chief	$13,438
Deputy fire chiefs	9,094
Superintendent of machinery	9,094
Fire marshal	9,094
Battalion fire chiefs	8,335
Assistant superintendent of machinery	8,335
Deputy fire marshal	8,335
Captains	7,085
Pilots	6,803
Marine engineers	6,803
Lieutenants	6,460
Sergeants	5,936
Assistant pilots	5,416
Assistant marine engineers	5,416
Inspectors	5,174
Private, class 4 (3 or more years' service)	4,990
Private, class 3 (2 or more but less than 3 years' service)	4,707
Private, class 2 (1 or more but less than 2 years' service)	4,424
Private, class 1 (less than 1 year's service)	4,193

All original appointments of privates shall be made at the annual basic salary of $4,193 and the first year of service shall be probationary.

"(b) The annual basic salary of a private of any class of the Fire Department of the District of Columbia shall be increased by—

"(1) $420, while he is assigned to duty as an aid to the Fire Chief or to a deputy or battalion first chief;

"(2) $224, while he is assigned to duty as a regular first driver-operator of a fire department hose wagon, aerial ladder truck, rescue squad, or fire department ambulance;

"(3) $420, while he is assigned to duty as a chief radio technician; and

"(4) $224, while he is assigned to duty as a chief photographer.

"(c) Subject to the approval of the Commissioners, the annual basic salary of a private or an inspector of the Fire Department of the District of Columbia shall be increased by an amount not to exceed $420 while he is assigned to duty as a technician."

SEC. 4. Section 202 (a) of the District of Columbia Police and Firemen's Salary Act of 1953 is amended by striking out "$120" and "$200" and inserting in lieu thereof "$129" and "$215", respectively.

SEC. 5. (a) Retroactive salary shall be paid by reason of this act only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or the municipal government of the District of Columbia on the date of enactment of this act, except that retroactive salary shall be paid (1) to an officer or member of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, or the White House Police force, who retired during the period beginning on the first day of the first pay period which began after February 28, 1955, and ending on the date of enactment of this act for services rendered during such period, and (2) in accordance with the provisions of the act of August 3, 1950 (Public Law 636, 81st Cong.), as amended (5 U. S. C., secs. 63f–63k), for services rendered during the period beginning on the first day of the first pay period which began after February 28, 1955, and ending on the date of enactment of this act by an officer or member who dies during such period.

(b) For the purposes of this section, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

SEC. 6. (a) This act shall take effect as of the first day of the first pay period which began after February 28, 1955.

(b) For the purpose of determining the amount of insurance for which an individual is eligible under the Federal Employees' Group Life Insurance Act of 1954, all changes in annual basic salary which result from the enactment of this act shall be held and considered to be effective as of the first day of the first pay period which begins on or after the date of such enactment.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The proceedings whereby a similar House bill (H. R. 7159) was passed were vacated and that bill was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 days to extend their remarks at this point.

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

There was no objection.

HAIRDRESSERS AND COSMETOLOGISTS

Mr. McMILLAN. Mr. Speaker, I call up the Senate bill (S. 667) to exempt meetings of associations of professional hairdressers or cosmetologists from certain provisions of the acts of June 7, 1938—Fifty-second Statutes 611—and July 1, 1902—Thirty-second Statutes 622—as amended, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the provisions of the act of June 7, 1938 (52 Stat. 611; title 2, ch. 13, D. C. Code, 1951 ed.), and paragraph 10 of section 7 of the act approved July 1, 1902 (32 Stat. 622), as amended (sec. 47–2310, D. C. Code, 1951 ed.), shall not be applicable to activities conducted in connection with any bona fide regularly scheduled national annual convention of any national association of professional hairdressers or cosmetologists, from which the general public is excluded.

Mr. McMILLAN. Mr. Speaker, the purpose of this bill is to exempt from the provisions of existing law the practice of cosmetology in connection with any bona fide regularly scheduled national annual convention of any national association of professional hairdressers or cosmetologists, for the purpose of permitting the presentation of educational programs at such meetings.

The act entitled "An act to provide for the examination and licensing of those engaging in the practice of cosmetology in the District of Columbia," approved June 7, 1938 (52 Stat. 611; title 2, ch. 13, D. C. Code, 1951 edition), governing the practice of cosmetology in the District, requires every person engaging in any practice of the cosmetological art—with certain exceptions not here germane—to be licensed. Moreover, the act requires any place used as a beauty shop, or school of cosmetology to be licensed, and prohibits the practice of cosmetology in any unlicensed place.

In addition, paragraph 10 of the act approved July 1, 1902—32 Statute 622—as amended—section 47–2310, District of Columbia Code, 1951 edition—reads as follows:

Owners or managers of barber shops, beauty parlors, beauty salons, vanity shops, or shingle shops, by whatsoever name called, where hair cutting, hairdressing, hair dyeing, manicuring, and kindred acts are practiced shall pay a license fee of $5 per annum.

Neither of the above-cited acts makes provision for the practice of cosmetology, for educational purposes, at meetings of associations of professional hairdressers or cosmetologists from which the general public is excluded. However, the Board of Commissioners have been informed that it has long been the practice at regularly scheduled meetings from which the general public is excluded, for skilled persons to instruct groups of professional hairdressers or cosmetologists in new styles of hairdressing, new methods of hair tinting, and other new developments.

The purpose of both the cited acts is to protect the general public from the practice of cosmetology by unqualified persons. It is believed, therefore, that neither of the acts should be applicable to activities conducted in connection with a bona fide, regularly scheduled meeting of any national association of professional hairdressers or cosmetologists from which the general public is excluded.

This bill has the approval of the Board of Commissioners of the District of Columbia.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALARIES OF TEACHERS, SCHOOL OFFICERS, ETC.

Mr. McMILLAN. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Speaker, I call up the Senate bill (S. 1093) to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc.—

TITLE I—SALARY SCHEDULES

SECTION 1. That the following are the salary schedules for teachers, school officers, and certain other employees of the Board of Education of the District of Columbia whose positions are included therein:

Salary class and position	Service step 1 minimum	Service step 2	Service step 3	Service step 4	Service step 5	Service step 6	Service step 7	Service step 8	Service step 9	Service step 10	Service step 11	Service step 12	Service step 13
Class 1: Superintendent of schools	$18,000												
Class 2: Deputy superintendent	11,600	$11,900	$12,200	$12,500	$12,800	$13,100	$13,400						
Class 3: Assistant superintendent; president, teachers college	10,000	10,300	10,600	10,900	11,200	11,500	11,800						
Class 4	9,400	9,600	9,800	10,000	10,200	10,400	10,600	$10,800	$11,000				
Class 5:													
Group B, master's degree	8,500	8,700	8,900	9,100	9,300	9,500	9,700	9,900	10,100				
Group C, master's degree plus 30 credit hours	8,800	9,000	9,200	9,400	9,600	9,800	10,000	10,200	10,400				
Class 6:													
Group A, bachelor's degree	7,600	7,800	8,000	8,200	8,400	8,600	8,800	9,000	9,200				
Group B, master's degree	8,100	8,300	8,500	8,700	8,900	9,100	9,300	9,500	9,700				
Group C, master's degree plus 30 credit hours	8,400	8,600	8,800	9,000	9,200	9,400	9,600	9,800	10,000				
Director, Department of Food Services													
Class 7:													
Group B, master's degree	7,600	7,800	8,000	9,200	8,400	8,600	8,800	9,000	9,200				
Group C, master's degree plus 30 credit hours	7,900	8,100	8,300	8,500	8,700	8,900	9,100	9,300	9,500				
Chief Examiner													
Director													
Principal, senior high school													
Class 8: Professor, teachers college	7,600	7,800	8,000	8,200	8,400	8,600	8,800	9,000	9,200				
Class 9:													
Group B, master's degree	7,100	7,300	7,500	7,700	7,900	8,100	8,300	8,500	8,700				
Group C, master's degree plus 30 credit hours	7,400	7,600	7,800	8,000	8,200	8,400	8,600	8,800	9,000				
Principal, vocational high school													
Principal, junior high school													
Principal, Americanization school													
Class 10:													
Group B, master's degree	6,700	6,900	7,100	7,300	7,500	7,700	7,900	8,100	8,300				
Group C, master's degree, plus 30 credit hours	7,000	7,200	7,400	7,600	7,800	8,000	8,200	8,400	8,600				
Director, Department of School Attendance and Work Permits													
Supervising Director													
Principal, elementary school													
Principal, laboratory school													
Class 11: Associate professor, teachers college	6,700	6,900	7,100	7,300	7,500	7,700	7,900	8,100	8,300				
Class 12:													
Group A, bachelor's degree	6,200	6,400	6,600	6,800	7,000	7,200	7,400	7,600	7,800				
Group B, master's degree	6,700	6,900	7,100	7,300	7,500	7,700	7,900	8,100	8,300				
Group C, master's degree, plus 30 credit hours	7,000	7,200	7,400	7,600	7,800	8,000	8,200	8,400	8,600				
Assistant Director, Department of Food Services													

Salary class and position	Service step 1 minimum	Service step 2	Service step 3	Service step 4	Service step 5	Service step 6	Service step 7	Service step 8	Service step 9	Service step 10	Service step 11	Service step 12	Service step 13
Class 13:													
Group B, master's degree	$6,000	$6,200	$6,400	$6,600	$6,800	$7,000	$7,200	$7,400	$7,600				
Group C, master's degree plus 30 credit hours	6,300	6,500	6,700	6,900	7,100	7,300	7,500	7,700	7,900				
Assistant Director													
Principal, Capitol Page School													
Assistant principal, senior high school													
Class 14: Assistant professor, teachers college; chief librarian, teachers college	6,000	6,200	6,400	6,600	6,800	7,000	7,200	7,400	7,600				
Class 15:													
Group B, master's degree	5,800	6,000	6,200	6,400	6,600	6,800	7,000	7,200	7,400				
Group C, master's degree, plus 20 credit hours	6,100	6,300	6,500	6,700	6,900	7,100	7,300	7,500	7,700				
Assistant principal, vocational high school.													
Assistant principal, junior high school.													
Class 16:													
Group B, master's degree	5,600	5,800	6,000	6,200	6,400	6,600	6,800	7,000	7,200				
Group C, master's degree, plus 30 credit hours	5,900	6,100	6,300	6,500	6,700	6,900	7,100	7,300	7,500				
Class 17:													
Group B, master's degree	5,300	5,500	5,700	5,900	6,100	6,300	6,500	6,700	6,900				
Group C, master's degree, plus 30 credit hours	5,600	5,800	6,000	6,200	6,400	6,600	6,800	7,000	7,200				
Assistant													
Supervisor													
Chief attendance officer													
Class 18:													
Group A, bachelor's degree	3,800	3,960	4,120	4,280	4,440	4,600	4,760	4,920	5,080	$5,240	$5,400	$5,560	$5,700
Group B, master's degree	4,300	4,460	4,620	4,780	4,940	5,100	5,260	5,420	5,580	5,740	5,900	6,060	6,200
Group C, master's degree plus 30 credit hours	4,600	4,760	4,920	5,080	5,240	5,400	5,560	5,720	5,880	6,040	6,200	6,360	6,500
Instructor, teachers college													
Librarian, teachers college													
Teacher, senior high school													
Teacher, vocational high school													
Teacher, junior high school													
Teacher, elementary school													
School librarian													
Counselor													
Research assistant													
Class 19:													
Group A, bachelor's degree	3,800	3,960	4,120	4,280	4,440	4,600	4,760	4,920	5,080	5,240	5,400	5,560	5,700
Group B, master's degree	4,300	4,460	4,620	4,780	4,940	5,100	5,260	5,420	5,580	5,740	5,900	6,060	6,200
Attendance officer													
Child labor inspector													
Census supervisor													

TITLE II—CLASSIFICATION AND ASSIGNMENT OF EMPLOYEES

SEC. 2. (a) The Board of Education on written recommendation of the Superintendent of Schools is authorized to establish the eligibility requirements and prescribe methods of appointment and promotion for teachers, school officers, and other employees. The Board of Education is authorized and directed, on written recommendation of the Superintendent of Schools, to classify and assign all teachers, school officers, and other employees to the salary classes and groups in section 1 of this act. Teachers, school officers, and other employees on probationary or permanent status shall not be required to take any examinations, either mental or physical, to be continued in the positions in which they are employed on June 30, 1955, or to which they may be transferred and assigned under the provisions of section 4 and section 5 of this act. No teacher, school officer, or other employee shall be appointed or promoted to any position in section 1 of this act on probationary or permanent status unless he possesses a master's degree, except that a person possessing a bachelor's degree may be appointed on probationary or permanent status as Director of Food Services, Assistant Director of Food Services, Supervising Director of the Department of Military Science and Tactics, teacher of military science and tactics, teacher of driver training, shop teacher in the vocational high schools, teacher in the junior high schools, counselor in the vocational high schools, counselor in the junior high schools, teacher in the elementary schools, research assistant, attendance officer, child labor inspector, or census supervisor. No teacher, school officer, or other employee shall receive compensation at a rate less than his annual compensation as of June 30, 1955.

(b) Notwithstanding any provision of this act the Board is authorized on a written recommendation of the Superintendent of Schools, to appoint or promote vocational high-school shop teachers to salary class 18, group B, without a master's degree if they submit evidence of equivalent training and experience in accordance with the rules of the Board. A vocational high-school shop teacher may not be appointed, assigned, or promoted to salary class 18, group C, who does not possess a master's degree granted in course plus 30 credit hours.

(c) When used in this act, the words "master's degree" mean a master's degree granted in course by an accredited higher educational institution and the words "plus 30 credit hours" mean the equivalent of not less than 30 graduate credit hours in academic, vocational, or professional courses beyond a master's degree, representing a definite educational program satisfactory to the Board of Education. Graduate credit hours beyond 30 which were earned prior to obtaining a master's degree may be applied in computing the "plus 30 credit hours." The terms "Board" or "Board of Education" mean the Board of Education of the District of Columbia. When used in this act, the term "Salary Act of 1947" means "District of Columbia Teachers' Salary Act of 1947, as amended."

SEC. 3. For other than temporary employees and the Superintendent of Schools, the first 2 years of service in each position covered by section 1 of this act shall be probationary regardless of any change in title or numbers used in classifying the position. Teachers, school officers, and other employees who have satisfactorily completed the probationary period in any position covered by section 1 of this act and whose permanent appointments have been approved by the Board shall be considered employees of the Board on permanent tenure.

TITLE III—METHOD OF ASSIGNMENT OF EMPLOYEES TO SALARY SCHEDULES

SEC. 4. Each teacher, school officer, and other employee in the service of the Board on July 1, 1955, who occupies a position formerly assigned in accordance with the provisions of title I of the Salary Act of 1947 shall be placed in a salary class covered by section 1 of this act as indicated at the end of this section. Any employee in group A of his salary class on June 30, 1955, shall be assigned to group A of the class to which he is transferred on July 1, 1955. Any employee in group C of his salary class on June 30, 1955, shall be assigned to group B of the class to which he is transferred on July 1, 1955, except that an employee possessing a master's degree plus 30 credit hours shall be transferred to group C. Any employee not in a group A or a group C on June 30, 1955, shall be assigned to group A on July 1, 1955, if his new salary class contains such a group, except that an employee possessing a master's degree or an employee in salary classes 7, 9, 10, 13, 15, and 17 on July 1, 1955, who does not possess a master's degree shall be assigned to group B if his new salary class contains such a group and an employee possessing a master's degree plus 30 credit hours shall be assigned to group C if his new salary class contains such a group.

Title and class of position in Teachers' Salary Act of 1947

Title	*Class*
Superintendent of Schools	29
First Assistant Superintendent	28
Assistant to the Superintendent (in charge of business administration)	27
Associate Superintendent	26
Chief Examiner	24
Director	22
Divisional Director	23
Director, Department of School Attendance and Work Permits	30
Director of Department of Food Services	35
Assistant Director of Department of Food Services	36
Head of department	17
Assistant Director	21
Assistant	13A
Supervisor	13A
President of teachers college	25
Principal of senior high school	20
Principal of vocational high school	19
Principal of junior high school	18
Principal in Americanization school	13
Principal in elementary school	13
Associate professor in teachers college (in charge of laboratory school)	11
Assistant Director (in charge of Capitol Page School)	21
Assistant principal in senior high school	16
Assistant principal in vocational high school	15
Assistant principal in junior high school	14
Professor in teachers college	12

Title and class of position in Teachers' Salary Act of 1947—Continued

Title	Class
Associate professor in teachers college	11
Assistant professor in teachers college	10
Instructor in teachers college	7
Chief librarian in teachers college	9
Librarian in teachers college	8
Teacher in senior high school	3
Teacher in vocational high school	5
Teacher in junior high school	2
Teacher in elementary school	1
School librarian	4
Counselor	6
Research assistant	6
Chief attendance officer	31
Attendance officer	32
Child-labor inspector	34
Census supervisor	33

Title and class of position in Teachers' Salary Act of 1955

Title	Class
Superintendent of Schools	1
Deputy Superintendent	2
Deputy Superintendent	2
Assistant Superintendent	3
Chief Examiner	7
Director	7
Director	7
Director, Department of School Attendance and Work Permits	10
Director, Department of Food Services	6
Assistant Director, Department of Food Services	12
Supervising director	10
Assistant director	13
Assistant	17
Supervisor	17
President, teachers college	3
Principal, senior high school	7
Principal, vocational high school	9
Principal, junior high school	9
Principal, Americanization school	9
Principal, elementary school	10
Principal, laboratory school	10
Principal, Capitol Page School	13
Assistant principal, senior high school	13
Assistant principal, vocational high school	15
Assistant principal, junior high school	15
Professor, teachers college	8
Associate professor, teachers college	11
Assistant professor, teachers college	14
Instructor, teachers college	15
Chief librarian, teachers college	14
Librarian, teachers college	18
Teacher, senior high school	18
Teacher, vocational high school	18
Teacher, junior high school	18
Teacher, elementary school	18
School librarian	18
Counselor	18
Research assistant	18
Chief attendance officer	17
Attendance officer	19
Child-labor inspector	19
Census supervisor	19

SEC. 5. (a) This act applies to all positions under the Board which require at least a bachelor's degree in an appropriate field, and in addition—

(1) involve classroom or other instruction or the supervision and direction of classroom and other instructional activities; or

(2) involve activities, other than teaching, which require the incumbents to possess academic credits in educational theory and practice at least equivalent to those required of a teacher with a bachelor's degree; or

(3) involve activities which are so directly related to the educational process that the positions have characteristics of the educational field to a marked degree, even though academic credits in educational theory and practice are not required; or

(4) involve the management or direction or organizational units or school services which, though not directly involved in the educational process, require the incumbent to deal so extensively with employees who are directly involved in the educational process on problems that require an understanding of the aims, methods and points of view of educators and educational philosophy, that it becomes impractical, insofar as salary treatment is concerned, to attempt to distinguish between them and positions covered under paragraphs (1), (2), or (3) of this subsection. This paragraph (4) shall apply only to such positions as are necessary to coordinate such noneducational units or services with the educational activities of the school system.

(b) The Board, with the concurrence of the Board of Commissioners of the District of Columbia, is authorized to determine which positions meet the criteria specified in subsection, (a) of this section and to establish or transfer positions covered under other wage or salary fixing acts or authorities to the coverage of this act. Similarly, the Board, with the concurrence of the said Board of Commissioners, is authorized to determine that positions covered under this act do not meet the criteria specified in subsection (a) of this section and to remove any such position from the coverage of this act: *Provided*, That any employee occupying any position covered by this act on the effective date of this Act, but which is later determined not to meet the criteria specified in subsection (a) of this section, shall continue to be entitled to the salary and other benefits of this act as long as he remains in such position. The Board, subject to the concurrence of the said Board of Commissioners, is authorized to specify for any position to be brought under this act, the class and group as established in this act which shall apply to such position: *Provided*, That such class shall be selected on the basis of the difficulty, responsibility, and qualification requirements of such position. Positions brought under this act in accordance with this section shall be subject to the provisions of this act to the same degree and in all respects as if such positions were specifically named in this act. The Board is authorized to conduct such studies as are required to apply the criteria specified in subsection (a) of this section.

TITLE IV—METHOD OF ADVANCEMENT AND PROMOTION OF EMPLOYEES

SEC. 6. On July 1, 1955, each permanent employee assigned to a salary class in accordance with section 4 and section 5 of this act shall be assigned to the numerical service step on the schedule for his class, or class and group, under this act next above the numerical service step occupied by him on June 30, 1955, under the provisions of the Salary Act of 1947 and each such employee shall advance one numerical service step each year thereafter until he reaches the highest step provided on the schedule for his class, or class and group, except that each employee under this act who was on a service step under the Salary Act of 1947 which was numerically as high or higher than the top step provided for the salary class, or class and group, to which he is assigned under section 1 of this act shall be assigned on July 1, 1955, to the highest step provided for his salary class, or class and group, under section 1 of this act. The Superintendent of Schools, salary class 1, shall be assigned on July 1, 1955, to the salary provided for that position in section 1 of this act. Any permanent employee serving in a position not covered by the Salary Act of 1947 but which may be later established under section 5 of this act shall be given service credit for the purpose of salary placement under this act equivalent to the number of years of satisfactory service rendered within the school system in the position then occupied by such employee and shall be assigned to the numerical service step on the schedule for his class, or class and group, under this act next above the numerical service step corresponding to his years of service under his previous classification. If such employee is on a service step in his previous classification which is numerically as high or higher than the top service step provided for his salary class, or class and group, under this act, he shall be assigned to the highest service step provided for his salary class, or class and group, under this act. Each employee transferred and assigned to salary class 18 under this act, and on permanent tenure on July 1, 1955, who on June 30, 1947, was a permanent employee of the Board of Education in either group B or group D of salary classes 1–8, inclusive, in the District of Columbia Teachers' Salary Act of 1945, as amended, shall be placed one service step higher than he would otherwise be entitled to under the provisions of this section except that in no case shall his salary be higher than the maximum salary provided for his class and group.

SEC. 7. (a) Each employee appointed under this Act who has not had prior service under the Board or who may be reappointed or reinstated, shall be assigned to the service step numbered next above the number of years of service with which he is credited for the purpose of salary placement. The Board, on the written recommendation of the Superintendent of Schools, is authorized to evaluate the previous experience of each new appointee to determine the number of years with which he may be credited for the purpose of salary placement. Credit for service rendered either inside or oustide of public schools of the District of Columbit shall be effective on the date of the regular Board meeting immediately preceding the date of approval by the Board or on the date of appointment, whichever is later. Such credit shall apply to all positions in salary classes 18 and 19, and to the positions of chief librarian and assistant professor, salary class 14; and to the position of associate professor, salary class 11; and to the position of professor, salary class 8. Such placement credit shall not be granted in excess of 5 years.

(b) In crediting previous experience of any teacher who has been absent from his duties because of naval or military service in the Armed Forces of the United States or its allies, the Board is hereby authorized to include such naval or military service as the equivalent of approved experience.

(c) No provision in this act shall be interpreted as preventing any teacher, school officer, or other employee of the Board who has been granted leave to enter the Armed Forces of the United States or its allies from receiving any annual service increment or increments to which he would have been entitled had he remained continuously in the service of the public schools.

SEC. 8. (a) Each teacher, school officer, and other employee appointed or promoted on probationary tenure to a position covered by section 1 of this act shall receive his first increase in salary in that position on the beginning day of his second year of probationary service in the position; he shall receive his second increase in salary in that position on the date when his appointment or promotion to the position is made permanent; and he shall receive all subsequent increases in salary to which he is entitled in that position on July 1 of each year, beginning with the July 1 next after the date of his permanent appointment or promotion to the position in accordance with section 6 and section 7 of this act.

(b) Any employee in the service of the Board on the effective date of this act appointed or promoted on probationary tenure during the period from July 1, 1952, to June 30, 1955, inclusive, to a position covered by section 4 of this act shall be compensated for salary increases in accordance with the subsection (a) of this section and shall receive his first increase effective as of the first date of his second year of probationary service based upon the rates of pay currently in effect on that date and such employee shall be assigned on July 1, 1955, to the numerical service step in the salary schedule for his class or class and group, in section 1 of this act corresponding to his number of years of creditable service.

(c) The Board is authorized to terminate the services of any probationary employee in the class to which appointed, upon the written recommendation of the superintendent of schools, at any time during the 2-year probationary period: *Provided*, That if an employee so terminated has permanent

status within the school system he shall be returned to the salary class he last occupied on permanent status, and placed on the step which would have been occupied by him.

SEC. 9. The Board is hereby authorized to appoint and assign temporary employees within the salary structure of section 1 of this act, whenever such action is necessary and recommended in writing by the superintendent of schools. Such appointments shall be for periods not to extend beyond June 30 of the fiscal year in which the appointments are made and the Board is authorized to terminate the appointment of any temporary employee at any time upon the written recommendation of the superintendent of schools. Each temporary employee shall be assigned to a numerical service step and receive an annual rate of compensation in accordance with section 7, but he shall receive no annual service increments and may be credited with not more than 5 years of service either inside or outside the public schools of the District of Columbia for the purpose of salary placement.

SEC. 10. (a) On and after July 1, 1955, each promotion to group B, or group C, within a salary class shall become effective on the date of the regular Board meeting immediately preceding the date of approval by the Board or on the effective date of the master's degree or the completion of 30 credit hours beyond the master's degree, whichever is later.

(b) Any employee in a position covered by section 1 of this act who is promoted to group B or group C of the same salary class shall be assigned to the same numerical service step on the schedule for his new group as he would have occupied on the schedule from which promoted.

SEC. 11. Any employee in a salary class covered by section 1 of this act, when promoted to a higher-paid salary class, shall be assigned to the lowest numerical service step on the schedule for his new class, or class and group, which will give him an immediate increase in annual salary rate at least equal to the sum of the following:

(1) Any annual service increment to which the employee would have been entitled in his former salary class at the time of his promotion; and

(2) The annual service increment scheduled for his new class and group: *Provided*, That no such employee shall be assigned to a higher numerical service step on the schedule for his new class, or class and group, than he would have occupied on the schedule from which promoted.

TITLE V—ACCOMPANYING LEGISLATION

SEC. 12. Notwithstanding any law or regulation to the contrary, the Board, on the written recommendation of the Superintendent of Schools, may employ not more than 15 retired members of the armed services of the United States as teachers of military science and tactics in the public high schools of the District of Columbia, and such teachers so employed shall be entitled to compensation in accordance with the salary schedules in section 1 of this act, in addition to their retired pay and allowances.

SEC. 13. The Board is hereby authorized to conduct as parts of the public-school system, evening schools, summer schools, and Americanization School, under and within appropriations made by Congress, and on the written recommendation of the Superintendent of Schools to fix and prescribe the salaries of teachers in the evening and summer schools.

SEC. 14. Each employee assigned to salary class 18 in the foregoing schedules, and to the position of attendance officer, salary class 19; each chief librarian and each assistant professor in class 14; each associate professor in class 11; and each professor in class 8 shall be classified as a teacher for payroll purposes and his annual salary shall be paid in 10 monthly installments in accordance with existing law.

SEC. 15. On and after the effective date of this act, the act entitled "An act to provide that the Board of Education of the District of Columbia shall have sole authority to regulate the vacation periods and annual leave of absence of certain school officers and employees of the Board of Education of the District of Columbia," approved March 5, 1952, as amended, shall apply to employees of the Board of Education whose salaries are fixed in salary classes 7–17, inclusive, under this act. However, such act shall not apply to the following employees: Chief examiner, class 7; and professor, class 8; associate professor, class 11; Assistant Director, Department of Food Services, class 12; assistant professor and chief librarian, class 14.

SEC. 16. On and after the effective date of this act, the act entitled "An act to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes," approved October 13, 1949, as amended, shall apply to employees of the Board whose salaries are fixed in salary class 18, and the position of attendance officer, salary class 19; and to the following employees in the salary classes indicated: Professor, class 8; associate professor, class 11; chief librarian and assistant professor, class 14, under this act.

SEC. 17. On and after the effective date of this act, the act entitled "An act to provide educational employees of the public schools of the District of Columbia with leave of absence, with part pay, for the purposes of educational improvement, and for other purposes," approved June 12, 1940, shall apply to employees of the Board whose salaries are fixed under section 1 of this act.

SEC. 18. On and after the effective date of this act, the act entitled "An act to permit the Board of Education of the District of Columbia to participate in the foreign teacher exchange program in cooperation with the United States Office of Education," approved September 28, 1950, shall apply to employees of the Board whose salaries are fixed under section 1 of this act.

SEC. 19. On and after the effective date of this act, the act entitled "An act for retirement of public schoolteachers in the District of Columbia," approved August 7, 1946, as amended, shall apply to probationary and permanent employees of the Board whose salaries are fixed under section 1 of this act, and all references in the said act of August 7, 1946, to the Salary Act of 1947 shall be interpreted to apply to this act. Nothing in this section shall require the recomputation of the annuity of any person retired under the act of August 7, 1946, as amended, prior to the effective date of this act, or of any person retired prior to the effective date of the act of August 7, 1946, as amended, whose annuity is computed in accordance with the provisions of that act.

SEC. 20. The District of Columbia Teachers' Salary Act of 1947, approved July 7, 1947, as amended, is hereby repealed.

SEC. 21. Section 1 of the Act for the Retirement of Public Schoolteachers, approved August 7, 1946, as amended, is amended by striking out "June 30" wherever it appears in such section and inserting in lieu thereof "December 31," provided that interest shall not be compounded as of December 31, 1955.

SEC. 22. Section 6 of the District of Columbia Teachers' Leave Act of 1949, as amended, is amended by adding thereto the following new sentence: "Service rendered by such substitutes shall not be regarded as service within the meaning of the Civil Service Retirement Act of May 29, 1930, as amended."

SEC. 23. The proviso in section 5 of the act of August 7, 1946, entitled "An act for the retirement of public schoolteachers in the District of Columbia, as amended by the act approved March 6, 1952 (66 Stat. 17), is hereby repealed.

SEC. 24. This act may be cited as "District of Columbia Teachers' Salary Act of 1955."

SEC. 25. This act shall become effective on July 1, 1955.

With the following committee amendment:

Strike all of pages 2 and 3 and insert new table:

Salary class and position	Service step 1 minimum	Service step 2	Service step 3	Service step 4	Service step 5	Service step 6	Service step 7	Service step 8	Service step 9	Service step 10	Service step 11	Service step 12	Service step 13
Class 1: Superintendent of schools:													
Bachelor's degree	$14,000												
Master's degree	16,000												
Doctor's degree	18,000												
Class 2: Deputy superintendent	11,700	$12,000	$12,300	$12,600	$12,900	$13,200	$13,500						
Class 3: Assistant superintendent; president, teachers college	10,100	10,400	10,700	11,000	11,300	11,600	11,900						
Class 4	9,500	9,700	9,900	10,100	10,300	10,500	10,700	$10,900	$11,100				
Class 5: Group B, master's degree	8,600	8,800	9,000	9,200	9,400	9,600	9,800	10,000	10,200				
Class 6:													
Group A, bachelor's degree	7,700	7,900	8,100	8,300	8,500	8,700	8,900	9,100	9,300				
Group B, master's degree	8,200	8,400	8,600	8,800	9,000	9,200	9,400	9,600	9,800				
Director, Department of Food Services													
Class 7:													
Group B, master's degree	7,700	7,900	8,100	8,300	8,500	8,700	8,900	9,100	9,300				
Chief Examiner													
Director													
Principal, senior high school													
Class 8: Professor, teachers college	7,700	7,900	8,100	8,300	8,500	8,700	8,900	9,100	9,300				
Class 9:													
Group B, master's degree	7,200	7,400	7,600	7,800	8,000	8,200	8,400	8,600	8,800				
Principal, vocational high school													
Principal, junior high school													
Principal, Americanization school													

Salary class and position	Service step 1 minimum	Service step 2	Service step 3	Service step 4	Service step 5	Service step 6	Service step 7	Service step 8	Service step 9	Service step 10	Service step 11	Service step 12	Service step 13
Class 10:													
Group B, master's degree	$6,800	$7,000	$7,200	$7,400	$7,600	$7,800	$8,000	$8,200	$8,400				
Director, Department of School Attendance and Work Permits													
Supervising Director													
Principal, elementary school													
Principal, laboratory school													
Class 11: Associate professor, teachers college	6,800	7,000	7,200	7,400	7,600	7,800	8,000	8,200	8,400				
Class 12:													
Group A, bachelor's degree	6,300	6,500	6,700	6,900	7,100	7,300	7,500	7,700	7,900				
Group B, master's degree	6,800	7,000	7,200	7,400	7,600	7,800	8,000	8,200	8,400				
Assistant Director, Department of Food Services													
Class 13:													
Group B, master's degree	6,100	6,300	6,500	6,700	6,900	7,100	7,300	7,500	7,700				
Assistant Director													
Principal, Capitol Page School													
Assistant principal, senior high school													
Class 14: Assistant professor, teachers college; chief librarian; teachers college	6,100	6,300	6,500	6,700	6,900	7,100	7,300	7,500	7,700				
Class 15:													
Group B, master's degree	5,900	6,100	6,300	6,500	6,700	6,900	7,100	7,300	7,500				
Assistant principal, vocational high school													
Assistant principal, junior high school													
Class 16:													
Group B, master's degree	5,700	5,900	6,100	6,300	6,500	6,700	6,900	7,100	7,300				
Class 17:													
Group B, master's degree	5,400	5,600	5,800	6,000	6,200	6,400	6,600	6,800	7,000				
Assistant													
Supervisor													
Chief attendance officer													
Class 18:													
Group A, bachelor's degree	3,900	4,060	4,220	4,380	4,540	4,700	4,860	5,020	5,180	$5,340	$5,500	$5,660	$5,800
Group B, master's degree	4,400	4,560	4,720	4,880	5,040	5,200	5,360	5,520	5,680	5,840	6,000	6,160	6,300
Instructor, teachers college													
Librarian, teachers college													
Teacher, senior high school													
Teacher, vocational high school													
Teacher, junior high school													
Teacher, elementary school													
School librarian													
Counselor													
Research assistant													
Class 19:													
Group A, bachelor's degree	3,900	4,060	4,220	4,380	4,540	4,700	4,860	5,020	5,180	5,340	5,500	5,660	5,800
Group B, master's degree	4,400	4,560	4,720	4,880	5,040	5,200	5,360	5,520	5,680	5,840	6,000	6,160	6,300
Attendance officer													
Child labor inspector													
Census supervisor													

On page 5, strike out lines 14 through 17, inclusive.

On page 5, lines 18 through 25, and on page 6, lines 1 through 6, strike out subsection (c) and insert in lieu thereof the following:

(c) When used in this Act, the terms "master's degree" and "doctor's degree" mean, respectively, a master's degree or a doctor's.

On page 7, line 8, change the comma to a period and strike out the following language on lines 8, 9, and 10:

except that an employee possessing a master's degree plus thirty credit hours shall be transferred to group C.

On page 7, lines 16, 17, 18, 19, strike out the following language:

and an employee possessing a master's degree plus thirty credit hours shall be assigned to group C if his new salary class contains such a group.

On page 8, under the Title and Class of Position in Teachers' Salary Act of 1955, Instructor, teachers college, change the class from "15" to "18".

On page 16, line 11, strike the words ", or group C,".

On page 16, lines 14 and 15, strike the words, "or the completion of thirty credit hours beyond the master's degree".

On page 16, line 18, strike the words "or Group C".

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. McMILLAN. Mr. Speaker, at this time I yield to the gentleman from New York [Mr. KLEIN], chairman of the Public Utilities Subcommittee of the Committee on the District of Columbia.

REGULATION OF PAWNBROKING BUSINESS IN DISTRICT OF COLUMBIA

Mr. KLEIN. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 6775) to provide for the regulation of the business of making loans of $600 or less in the District of Columbia, to regulate the pawnbroking business, and for other purposes, and ask unanimous consent that it may be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "District of Columbia Small Loans Act of 1955."

Findings and declaration of policy

SEC. 2. The Congress finds that, in view of the hazard involved in making small loans, the cost of operations incident to the investigation of applicants for such loans and the collection of such loans on a monthly basis, the small-loan law approved February 4, 1913, for the District of Columbia providing for an interest rate of 1 percent per month on maximum loans of $200 has discouraged rather than attracted to the District legitimate capital to be employed in this field. The Congress further finds that, considering present-day costs of living, a small loan at the present time is much larger in amount than a small loan of the 1913 era. The Congress further finds that many small-loan borrowers who have no established bank credit are forced to go outside the District for loans or to patronize lenders who evade the terms of such act of February 4, 1913. It is therefore the policy and purpose of the Congress in enacting this act to bring under public supervision all persons engaged in the District of Columbia in the business of making small loans; to eliminate practices that facilitate abuse of borrowers; to establish a system of regulation for the purpose of insuring honest and efficient small-loan service; to encourage the investment in the District of Columbia of legitimate capital in the small-loan field and to stimulate competitive reductions in charges; to allow lenders who meet the conditions of this act a rate of interest sufficiently high to permit a business profit and to provide the administrative machinery necessary for effective enforcement of this act.

Definitions

SEC. 3. As used in this act—

(a) The term "person" means an individual, firm, voluntary association, joint-stock company, incorporated society, or corporation.

(b) The term "small loan" means a loan of $600 or less on security of written or printed evidence of indebtedness, and not on the pledge and possession of personal property, and includes (1) the loan, use, or forbearance of any money, goods, or other thing in action, and (2) the loan, use, or sale of credit.

(c) The term "District" means the District of Columbia.

(d) The term "Commissioners" means the Commissioners of the District or the agent or agents designated by them to perform any function vested in the Commissioners by this act: *Provided*, That for the purposes of subsection (e) of section 112 no such agent shall, by way of appeal, review his own action, decision, or ruling.

(e) The term "pawnbroker" means any person who shall in any manner lend or

advance money or other things for profit on the pledge and possession of personal property or other valuable things, other than securities or written or printed evidences of indebtedness or who deals in the purchasing of personal property or other valuable thing on condition of selling the same back again at a stipulated price.

TITLE I—SMALL LOANS

License required for making small loans

SEC. 101. No person shall, except as authorized in this title and without first obtaining a license from the Commissioners as hereinafter provided, engage in the District in the making of small loans and charge, contract for, or receive, directly or indirectly, or by any device, subterfuge, or pretense whatsoever, a greater rate of interest, discount, or consideration therefor than that provided by sections 1178, 1179, and 1180 of the act approved March 3, 1901 (31 Stat. 1377), as amended (secs. 28–2701 to 28–2703, inclusive, D. C. Code, 1951 edition).

Loans invalidated

SEC. 102. (a) No person, except as authorized by this title, shall, directly or indirectly, by any device, subterfuge, or pretense whatsoever, ask, demand, charge, contract for, or receive, or participate, as agent, broker, procurer, intermediary, or volunteer, or in any other capacity, in asking, demanding, charging, contracting for, or receiving, any interest, discount, fee, charge, or other consideration which in the aggregate is greater than the interest which is permitted by sections 1178, 1179, or 1180 of such act approved March 3, 1901, as amended, upon any small loan or application for small loan, whether or not such loan is made.

(b) No person engaged in the business regulated by this title shall pay, directly or indirectly, to any person, any money, service, or thing of value for the doing of any of the acts prohibited in subsection (a) of this section: *Provided*, That this subsection shall apply only to acts done or performed with reference to small loan transactions or applications for small loans, or in inducing or seeking to induce any person to borrow in sums of $600 or less.

(c) No instrument evidencing a small loan made within the District in violation of the provisions of this title shall be valid or enforceable in the District by the lender or by any other holder thereof who acquired the same with actual knowledge that said loan was made in violation of the provisions of this title or with knowledge of such facts that his action in taking such instrument amounted to bad faith.

(d) Any small loan made by any person not licensed under this title for which there has been charged, contracted for, or received a greater rate of interest, discount or consideration than the interest which is permitted by sections 1178, 1179 or 1180 of the act approved March 3, 1901, as amended, and any small loan made by a licensee under this title for which there has been charged, contracted for, or received a greater rate of interest, discount, or consideration than licensees are permitted to charge, contract for, or receive under this title is hereby declared to be against the public policy of the District. No such small loan made outside the District shall be enforced in the District and every person in anywise participating therein in the District shall be subject to the provisions of this title, except that the provisions of this subsection shall not apply to small loans legally made in any State under and in accordance with the provisions of a duly enacted small-loan law.

Appointment of attorney and application for licenses

SEC. 103. (a) No license shall be issued to any person unless and until such person shall, in writing and in the form prescribed by the Commissioners, appoint the Commissioners as his true and lawful attorney upon whom all judicial and other process or legal notice directed to such person may be served. The Commissioners shall, within 24 hours after any such service, forward by registered mail to the last-known address of such person a copy of such process or notice.

(b) Each application for a license under this title shall be made in writing under oath or affirmation, to the Commissioners in such form as they may prescribe. Such application shall contain (1) in the case of an individual, his name and the address of his residence and place of business, (2) in the case of a firm or voluntary association, the name and address of every member thereof and the address of the place where such business is to be conducted; (3) in the case of a joint-stock company, incorporated society, or corporation, the names and addresses of the officers and directors thereof and the address of the place where such business is to be conducted, and (4) such additional information as the Commissioners may prescribe.

(c) Each applicant shall prove to the satisfaction of the Commissioners that he has available, for use in the business of making small loans authorized by this title at the location specified in his application, cash capital of at least $100,000.

(d) Upon the filing of any such application the applicant shall pay to the Commissioners the sum of $50 as a fee for investigating the application, which sum shall be retained by the District whether such application is approved or disapproved.

Bond provisions

SEC. 104. (a) Each applicant shall file with his application a bond running to the District in the sum of $5,000 with two or more sufficient sureties, whose liability as such sureties shall not exceed the said sum in the aggregate; except that the execution of any such bond by a fidelity or surety company authorized by the laws of the United States to transact business in the District shall be equivalent to the execution thereof by two sureties, but such company, if excepted to, shall justify in the manner required by law of fidelity and surety companies. Such bond shall be approved by the Commissioners and conditioned upon the compliance by the applicant with all the provisions of this title and all rules and regulations lawfully made pursuant thereto. Any person injured by the noncompliance with any such provision, rule, or regulation by any licensee under this title may maintain a suit in his own name in any court of competent jurisdiction and recover on the bond such damages as shall be adjudged by such court together with costs of such suit. Recovery upon any such bond shall not preclude recovery against such licensee for any liability in excess of the amount recovered upon the bond, and such recovery shall not be held to extinguish any remedy under other law.

(b) The bond or bonds which the licensee is required to file hereunder shall be renewed and refiled annually at the time of making payment of the annual license fee. If the Commissioners shall find that any such bond has for any reason become insecure or exhausted, an additional bond in the sum of not more than $5,000 shall be filed by the licensee within 10 days after written demand therefor by the Commissioners.

Issuance of license

SEC. 105. (a) If the Commissioners approve the bond filed by the applicant and the form of the application, and find after investigation (1) that the financial responsibility, experience, character, and general fitness of such applicant, and of the members thereof if the applicant is a firm of voluntary association, and of the officers and directors thereof if the applicant is a joint-stock company, incorporated society, or corporation are such as to command the confidence of the community and to warrant the belief that the business of the applicant will be operated honestly, fairly, and efficiently in accordance with the purposes of this title; (2) that permitting such applicant to engage in such business will promote the convenience and advantage of the community; and (3) that the applicant has available for use in such business at the location specified in the application cash capital of at least $100,000, the Commissioners shall, upon payment by the applicant of a license fee of $250, issue to the applicant a license to make such loans in accordance with the provisions of this title at the location specified in such application; except that if any such license is issued after the 30th day of April of any year the fee for such license shall be $125. If the Commissioners do not so find after investigation they shall notify the applicant thereof and return the bond filed with the application. Within 60 days from the date of filing the application for license, accompanied by the investigation fee and bond required by this title, the Commissioners shall either issue or refuse to issue such license, but no applicant shall be denied a license until after a due hearing by the Commissioners, at which the applicant shall have a reasonable opportunity to be heard and to produce evidence in support of his application. If the application be denied the Commission shall within 20 days thereafter prepare a written decision and findings with respect thereto containing a summary of the evidence and the reasons supporting the denial and forthwith serve upon the applicant a copy thereof.

(b) Each license issued under this title shall state fully the names of the licensee and the place at which the business is to be conducted under such license. Such license shall be kept conspicuously posted in such place of business. No such license shall be transferable or assignable. Not more than one place of business shall be maintained under the same license, but the Commissioners may issue more than one license to the same licensee upon compliance for each such license with all the provisions of this title applicable to the original issuance of licenses. Whenever a licensee shall desire to change his place of business to another location within the District he shall immediately give written notice thereof to the Commissioners. Upon receipt of such notice the Commissioners shall attach to the license a statement of the change of location and the date thereof, which shall be authority for the operation of such business under such license at the new location.

(c) No licensee shall conduct the business of making small loans under this title within any office, room, or place of business in which any other business is solicited or engaged in, or in association or conjunction therewith.

(d) No licensee shall transact such business or make any small loan provided for by this title under any other name or at any other place of business than that named in the license.

Revocation, suspension, and renewal of licenses

SEC. 106. (a) Each license shall remain in full force and effect until the 1st day of November following the date of issuance unless sooner surrendered by the licensee or suspended or revoked as hereinafter provided. Application for license for the following year may be made by any licensee within 20 days prior to the 1st day of November. If the Commissioners are satisfied that no fact or condition then exists which clearly would warrant the Commissioners in refusing to issue a license on an original application the Commissioners are authorized to issue license for the year commencing on the 1st day of November following

the date of such application, upon payment of license fee of $250.

(b) The Commissioners shall, upon 10 days' notice to the licensee stating that they contemplate the revocation or suspension of his license, and, in general, the grounds therefor, revoke or suspend such license, after reasonable opportunity has been afforded to the licensee to be heard, if the Commissioners find (1) that the licensee has failed to maintain in effect the bond or bonds required under this title or (2) that the licensee has either knowingly or without the exercise of due care to prevent the same, violated any provision of this title or has failed to comply with any rule or regulation lawfully made pursuant thereto, or (3) that any fact or condition then exists which clearly would warrant the Commissioners in refusing to issue a license on an original application. If the license be revoked or suspended the Commissioners shall, within 20 days thereafter, prepare a written decision and findings with respect thereto containing a summary of the evidence and the reasons supporting the revocation or suspension and forthwith serve upon the licensee a copy thereof.

(c) The Commissioners may revoke or suspend only the particular license with respect to which there are grounds for revocation or suspension; but if the Commissioners find that such grounds for revocation or suspension apply or extend to more than one license issued to any person under this title, they shall revoke or suspend all the licenses affected thereby.

(d) The licensee may at any time surrender any license issued to him under this title upon filing written notice to that effect with the Commissioners.

(e) No revocation, suspension, or surrender of any such license shall impair or affect the obligation of any preexisting lawful contract between the licensee and any borrower, or any bond given by such licensee.

Loan provisions

SEC. 107. (a) Every licensee under this title may make small loans and may charge, contract for, and receive thereon, interest at a rate not exceeding 3 percent per month on the first $150 of the unpaid principal balance of the small loan, 2 percent per month of the unpaid principal balance of the small loan exceeding $150 and not exceeding $300, and 1 percent per month on so much of the unpaid principal balance of the small loan as exceeds $300. Interest shall not be compounded and shall be computed only on unpaid principal balances. No amount whatsoever shall be paid, deducted, or received in advance. No licensee shall, directly or indirectly, charge, contract for, or receive, in addition to the interest herein permitted, any amount or consideration from any borrower or any other person for any examination, service, brokerage, commission, fee, bonus, or for any other purpose whatsoever. The maximum interest permitted on loans made under this title shall be computed on the basis of the number of days actually elapsed for the purpose of which computations a month shall be any period of 30 consecutive days.

(b) No person who is a licensee under this title shall permit any one borrower, or any husband or wife, individually or jointly, to become indebted to him under more than one contract of small loan or small-loan transaction at the same time if the amount loaned to and receivable by the debtor on any one of the contracts or transactions is in the amount or of the value of $600 or less and there is charged, contracted for, or received thereon, directly or indirectly, by any device, subterfuge, or pretense whatsoever, any interest, discount, or consideration greater than that permitted by sections 1178, 1179, or 1180 of such act approved March 3, 1901, as amended.

(c) If any interest, consideration, discount, or amount in excess of the interest authorized by this section is charged, contracted for, or received by any licensee under any contract of loan or loan transaction, such contract or transaction shall be void and the licensee shall have no right to collect or receive any principal, interest, or charges whatsoever.

(d) Nothing in this title shall be construed to authorize licensees to charge, contract for, or receive, directly or indirectly, any interest, discount, or consideration greater than that permitted by sections 1178, 1179, or 1180 of such act approved March 3, 1901, as amended, upon any loan in the amount or of the value of $600 or less, except upon a loan of money.

(e) Every licensee shall—

(1) deliver to the borrower at the time of making a loan under this title a statement in English containing a copy of the provisions of subsections (a), (b), (c), and (d) of this section and showing in clear and distinct terms the amount and date of the small loan and the date of its maturity, the nature of the security, if any, for the loan, the name and address of the borrower and of the licensee, and the agreed rate of interest on such loan;

(2) give to the borrower a plain and complete receipt for each payment made on account of any such small loan at the time such payment is made, specifying the amount applied to interest and the amount, if any, applied to principal, and stating the amount of the unpaid principal balance of the small loan; and

(3) upon the repayment of the small loan in full, mark indelibly with the word "paid" or "canceled" every obligation and security signed by the borrower and release any mortgage, and cancel and return every note and assignment given to the licensee by the borrower.

(f) The borrower may pay all or any part of any small loan at any time before the date of maturity thereof, but any such payment may first be applied by the licensee to all interest unpaid up to the date of such payment.

(g) No licensee shall take any confession of judgment, or any power of attorney. Nor shall any licensee take any note, promise to pay, or security that does not accurately disclose the actual amount of the small loan, the time for which it is made, and the agreed rate of interest; or take any instrument in which blanks are left which are to be filled in after the execution of such instrument.

(h) Each such licensee shall maintain at all times assets of at least $100,000, either in liquid form available for use in the business of making loans under this title at the location specified in the license, or actually used in the conduct of such business.

(i) No such licensee shall take any lien upon real estate as security for any loan under this title, except such lien as may be obtained by virtue of a judgment or decree under section 1214 of such act approved March 3, 1901, as amended (sec. 15–103, D. C. Code, 1951 edition).

Loans by licensees in excess of $600

SEC. 108. No licensee shall, directly or indirectly, charge, contract for, or receive any interest, discount, or consideration greater than that provided by sections 1178, 1179, or 1180 of such act approved March 3, 1901, upon all or any part of any loan in the amount or of the value of more than $600, or in any case in which the licensee permits any individual, as borrower or as endorser, guarantor, or surety for any borrower, or otherwise, to owe directly or contingently, or both, to the licensee at any time the sum of more than $600 for principal.

Validity and payment of assignments

SEC. 109. No assignment of or order for payment of any salary, wages, commissions, or other compensation for services, earned or to be earned, given to secure any small loan made by any licensee under this title, shall be valid unless the amount of such loan is paid to the borrower simultaneously with its execution; nor shall any such assignment or order, or any chattel mortgage or other lien on household furniture then in the possession and use of the borrower, be valid unless it is in writing, signed in person by the borrower, nor if the borrower is married unless it is signed in person by both husband and wife: *Provided*, That written assent of a spouse shall not be required when husband and wife have been living separate and apart for a period of at least 5 months prior to the making of such assignment, order, mortgage, or lien.

Amount collectible under assignment

SEC. 110. Under any such assignment or order for the payment of future salary, wages, commissions, or other compensation for services, given as security for a small loan made by any licensee under this title, a sum not to exceed 10 percent of the borrower's salary, wages, commissions, or other compensation for services shall be collectible from the employer of the borrower by the licensee at the time of each payment to the borrower of such salary, wages, commissions, or other compensation for services, from the time that a copy of such assignment, verified by the oath of the licensee or his agent, together with a similarly verified statement of the amount unpaid upon such loan, is served upon the employer.

Wage assignments

SEC. 111. The payment of $600 or less in money, credit, goods, or things in action, as consideration for any sale or assignment of, or order for, the payment of wages, salary, commission, or other compensation for services, whether earned or to be earned, shall for the purposes of regulation under this act be deemed a loan secured by such assignment, and the amount by which such assigned compensation exceeds the amount of such consideration actually paid shall for the purposes of regulation under this act be deemed interest or charges upon such loan from the date of such payment to the date such compensation is payable. Such transaction shall be governed by and subject to the provisions of this act.

Enforcement

SEC. 112. (a) The provisions of this act shall be enforced by the Commissioners, who are authorized to make such rules and regulations in addition hereto and not inconsistent herewith, as may be necessary for the enforcement of this act. The Commissioners shall make an annual examination of the affairs, business, office, and records of every licensee, and such further examinations or investigations as they shall deem necessary for the purpose of discovering violations of this act or of securing information necessary for its proper enforcement. For the purpose of making such examinations or investigations the Commissioners and their duly designated representatives shall have authority to require by subpena the attendance of and to examine under oath all persons whomsoever whose testimony they may require relative to the loans or business of any such licensee, and shall have free access to the accounts, papers, records, files, safes, vaults, offices, and places of business used in connection with any business conducted under any license issued in accordance with this title. In the event of contumacy or refusal to obey any such subpena or requirement under this section, the Commissioners may make application to the municipal court for the District of Columbia for an order requiring obedience thereto. Thereupon the court, with or without notice and hearing, as it in its discretion may decide, shall make such order as is proper and may punish as a

contempt any failure to comply with such order in accordance with the provisions of subsection (c), section 5, of the act of April 1, 1942 (56 Stat. 193, ch. 207; sec. 11–756 (c), D. C. Code, 1951 edition).

(b) Each licensee shall annually on or before the 15th day of March file with the Commissioners a report giving such information as the Commissioners may require, relevant to the business and operations during the preceding calendar year, of each licensed place of business conducted by such licensee in the District. Such report shall be made under oath and in the form prescribed by the Commissioners. The Commissioners shall make and publish annually an analysis and recapitulation of such reports.

(c) Each licensee shall keep and use in his business and shall preserve for at least 3 years after making the final entry on any small loan recorded therein, such books, accounts, records, or card systems as will enable the Commissioners to determine whether such licensee is complying with the provisions of this title and with the rules and regulations made pursuant thereto.

(d) The Commissioners are authorized to appoint such assistants, clerks, or other employees as may be required for the purpose of carrying out the provisions of this title.

(e) Any person aggrieved by any action, decision, or ruling of the Commissioners under this title may, within 20 days thereafter, or within 20 days after the service upon such person of any written decision and findings required by this title, appeal to the Commissioners for a review thereof. Upon any such review, the Commissioners may affirm, set aside, or modify such action, decision, or ruling. In any such case the Commissioners shall, within 10 days thereafter, prepare a written decision and findings with respect thereto, containing a summary of the evidence and the reasons supporting the affirmance, setting aside, or modification, and forthwith serve upon the aggrieved person a copy thereof.

Advertising

SEC. 113. No licensee or other person, firm, voluntary association, joint-stock company, incorporated society, or corporation shall advertise, print, display, publish, distribute, or broadcast, or cause or permit to be advertised, printed, displayed, published, distributed, or broadcast, in any manner whatsoever, any statement or representation with regard to the rates, terms, or conditions for the lending of money, credit, goods, or things in action in the amount or of the value of $600 or less, which is false, misleading, or deceptive, or, in the case of a licensee, which refers to the supervision of such business by the District of Columbia, or any department or official thereof. The Commissioners may order any licensee to desist from any conduct which they shall find to be a violation of the foregoing provisions.

The Commissioners may require that rates of charge, if stated by a licensee, be stated fully and clearly in such manner as they may deem necessary to prevent misunderstanding thereof by prospective borrowers.

Penalties

SEC. 114. (a) Any individual or any member, officer, director, agent, or employee of any firm, voluntary association, joint-stock company, incorporated society, or corporation who shall violate or participate in the violation of any of the provisions of this title shall be punished by a fine of not more than $300 or by imprisonment for not more than 90 days.

(b) Any contract of small loan in the making or collection of which any act shall have been done which constitutes a violation of any of the provisions of this title shall be void and the lender shall have no right to collect or receive any principal, interest, or charges whatsoever on account thereof.

TITLE II—PAWNBROKERS

Licenses required of pawnbrokers

SEC. 201. (a) No person shall engage in business as a pawnbroker except as authorized in this title and without first obtaining a license from the Commissioners as hereinafter provided.

(b) No person, other than a licensee under this title, shall display any sign or other device in or about any business premises, or in any advertising matter, which in any manner resembles the emblem or sign commonly used by pawnbrokers nor display any sign which is calculated to deceive, nor use the word "pawnbroker" in or about any business premises or in any advertising matter, nor shall any such person hold himself out to the public to be a pawnbroker either by advertising, soliciting, signs, or otherwise.

SEC. 202. The provisions of the following sections and subsection of title I of this act, shall be deemed to be incorporated in this title and shall be applicable to the same extent as if such provisions were set forth in full in this title, namely: Sections 103, 104, 105 (a), 105 (b), 105 (d), 106, 107 (f), 112, and 113: *Provided,* That the term "small loan" as used in such sections shall, for the purposes of this title, be deemed to mean a "loan" as provided in section 203 of this title: *Provided further,* That, for the purposes of this title, the terms in such sections reading "of the value of $600 or less" shall be deemed to read "of the value of $1,000 or less."

SEC. 203. No pawnbroker shall ask, demand, or receive, any greater rate of interest than 2 percent per month, or fraction thereof, upon any loan not exceeding the sum of $200, or more than 1 percent per month or fraction thereof, upon any loan exceeding $200 and not exceeding $1,000, and 8 per centum per annum on any loan in excess of $1,000, under a penalty of $100 for each such offense: *Provided,* That pawnbrokers may ask, demand, and receive a minimum charge in lieu of interest of 50 cents.

SEC. 204. (a) No person, except as authorized by this title, shall, directly or indirectly, by any device, subterfuge, or pretense whatsoever, ask, demand, charge, contract for, or receive, or participate, as agent, broker, procurer, intermediary, or volunteer, or in any other capacity, in asking, demanding, charging, contracting for, or receiving, any interest, discount, fee, charge, or other consideration which in the aggregate is greater than the interest which is permitted by sections 1178, 1179, or 1180 of such act approved March 3, 1901, as amended, upon any loan or application for loan in the amount or of the value of $1,000, or less, whether or not such loan is made.

(b) No person engaged in the business regulated by this title shall pay, directly or indirectly, to any person, any money, service, or thing of value for the doing of any of the acts prohibited in subsection (a) of this section: *Provided,* That this subsection shall apply only to acts done or performed with reference to loan transactions or applications for loans in sums of $1,000 or less, or in inducing or seeking to induce any person to borrow in sums of $1,000 or less.

(c) No instrument evidencing a loan made within the District in violation of the provisions of this title shall be valid or enforceable in the District by the lender or by any other holder thereof who acquired the same with actual knowledge that said loan was made in violation of the provisions of this title or with knowledge of such facts that his action in taking such instrument amounted to bad faith.

(d) Any loan made by any person not licensed under this title for which there has been charged, contracted for, or received a greater rate of interest, discount, or consideration than the interest which is permitted by sections 1178, 1179, or 1180 of the act approved March 3, 1901, as amended, and any loan made by a licensee under this title for which there has been charged, contracted for, or received a greater rate of interest, discount, or consideration than licensees are permitted to charge, contract for, or receive under this title is hereby declared to be against the public policy of the District. No such loan made outside the District shall be enforced in the District and every person in anywise participating therein in the District shall be subject to the provisions of this title, except that the provisions of this subsection shall not apply to small loans legally made in any State under and in accordance with the provisions of a duly enacted small-loan law.

SEC. 205. Every pawnbroker shall keep a book in which shall be fairly written, at the time of each loan, an accurate account and description of the goods, article, or thing pawned or pledged, the amount of money loaned thereon, the time of pledging the same, the rate of interest to be paid on such loan, and the name and residence of the person pawning or pledging the said goods, article, or thing, together with a particular description of such person, including complexion, color of eyes and hair, and his or her height and general appearances.

SEC. 206. (a) The said book shall at all reasonable times be open to the inspection of the Commissioners.

(b) Except as to any judicial or other official of the District, having a right thereto in his official capacity, it shall be unlawful for any officer or employee of the District to divulge or make known in any manner the contents of such book.

SEC. 207. Every pawnbroker shall, at the time of each loan, deliver to the person pawning or pledging any goods, article, or thing a memorandum or note, signed by him, containing the substance of the entry required to be made in his or her book by the last preceding section, excepting as to the description of the person and no charge shall be made or received by any pawnbroker for any such entry, memorandum, or note.

SEC. 208. No pawnbroker shall sell any pawn or pledge until the same shall have remained 1 year in his possession, unless by consent in writing by the pawner; and all such sales shall be made at public auction and not otherwise, and shall be made or conducted only by an auctioneer licensed by the District of Columbia.

SEC. 209. Notice of every such sale shall be published for at least 6 days previous thereto, in one or more of the daily newspapers of general circulation printed in the District of Columbia, and such notice shall specify the time and place at which such sale is to take place, the name of the auctioneer by whom the same is to be conducted, and a description of the article to be sold, and in addition thereto the pawnbroker shall mail to the pawner a copy of such notice and shall obtain from the postmaster or his authorized agent a certificate showing such mailing, issued pursuant to the act approved January 13, 1931 (U. S. C., title 39, sec. 260a), and regulations made thereunder. Such certificates shall be deemed to be part of the records of the business of the pawnbroker required by this title to be kept.

SEC. 210. The surplus money, if any, arising from any such sale, after deducting the amount of the loan, the interest then due on the same, and the expenses of the advertisement and sale, shall be paid over by the pawnbroker to the person who would be entitled to redeem the pledge in case no such sale had taken place.

Penalties

SEC. 211. (a) Any individual or any member, officer, director, agent, or employee of any firm, voluntary association, joint-stock company, incorporated society, or corporation who shall violate or participate in the violation of any of the provisions of this title shall be punished by a fine of not more than

$300 or by imprisonment for not more than 90 days.

(b) Any contract of loan in the making or collection of which any act shall have been done which constitutes a violation of any of the provisions of this title shall be void and the lender shall have no right to collect or receive any principal, interest, or charges whatsoever on account thereof. Any person pledging any goods, article, or other thing as security for a loan which is void shall be entitled to the return of such goods, article, or thing without being required to pay any principal, interest, or other charge on account of such void loan.

TITLE III

SEC. 301. The Commissioners are authorized to make and enforce such rules and regulations as they deem necessary to carry out the purposes of this act.

SEC. 302. Nothing in this act shall apply to any person, firm, joint-stock company, incorporated society, credit union, or corporation doing business in the District of Columbia under the supervision of the Federal Reserve System, or the Comptroller of the Currency, or the Federal Deposit Insurance Corporation, or the Department of Health, Education, and Welfare or to loans made by them.

Repeal

SEC. 303. The act entitled "An act to regulate the business of loaning money on security of any kind by persons, firms, and corporations other than national banks, licensed bankers, trust companies, savings banks, building and loan associations, and real-estate brokers, in the District of Columbia," approved February 4, 1913, as amended, is hereby repealed.

Separability of provisions

SEC. 304. In any provision of this act or the application thereof to any person or circumstances, is held invalid, the remainder of the act, and the application of such provision to other persons or circumstances shall not be affected thereby.

Effective date of act

SEC. 305. This act shall take effect at the expiration of 60 days after the date of its approval.

The SPEAKER pro tempore. The Clerk will report the committee amendments.

The Clerk read as follows:

On page 9, line 17, strike out "$100,000" and insert in lieu thereof "$20,000."

On page 9, line 18, strike out "$250" and insert in lieu thereof "$500."

On page 9, line 23, strike out "$125" and insert in lieu thereof "$250."

On page 13, strike the first sentence of subsection (a) of section 107 beginning in line 13 and ending in line 20 and insert in lieu thereof the following:

"The Commissioners shall investigate from time to time the economic conditions and other factors relating to and affecting the business of making loans under this act, and shall ascertain all pertinent facts necessary to determine what maximum rate of interest should be permitted. Upon the basis of such ascertained facts, the Commissioners shall determine and fix by regulation or order a maximum rate of interest in connection with such loans which will induce efficiently managed commercial capital to be invested in such business in sufficient amounts to make available adequate credit facilities to individuals seeking such loans at reasonable rates of interest, and which will afford those engaged in such business a fair and reasonable return upon the assets. The Commissioners may from time to time, upon the basis of changed conditions or facts, redetermine and refix any such maximum rate of interest, but, before determining or redetermining any such maximum rate, the Commissioners shall give reasonable notice of their intention to consider doing so to all licensees and a reasonable opportunity to be heard and introduce evidence with respect thereto and such notice shall also be published once each week for two consecutive weeks in one or more of the daily newspapers published in the District of Columbia. Any such changed maximum rate of interest shall not affect preexisting loan contracts lawfully entered into between any licensee and any borrower. Until such time as a different rate is fixed by the Commissioners in accordance with the authorization contained in this subsection, every licensee may contract for and receive on any loan of money, not exceeding 3 percent per month on the first $150 of the unpaid principal balance of the small loan, 2 percent per month of the unpaid principal balance of the small loan exceeding $150 and not exceeding $300, and 1 percent per month on so much of the unpaid principal balance of the small loan as exceeds $300."

On page 16, line 21, strike out "$100,000" and insert in lieu thereof "$20,000."

Page 23, line 20, strike "subsection" and insert "subsections."

Page 23, line 25, after "sections" add "subsections."

Page 24, strike so much of lines 6 and 7 as reads "No pawnbroker shall ask, demand, or receive, any greater rate of interest than," and insert in lieu thereof the following:

"The Commissioners shall investigate from time to time the economic conditions and other factors relating to and affecting the business of making pawnbroker loans under this title, and shall ascertain all pertinent facts necessary to determine what maximum rate of interest should be permitted. Upon the basis of such ascertained facts, the Commissioners shall determine and fix by regulation or order a maximum rate of interest in connection with such loans which will induce efficiently managed commercial capital to be invested in such business in sufficient amounts to make available adequate credit facilities to individuals seeking such loans at reasonable rates of interest, and which will afford those engaged in such business a fair and reasonable return upon the assets. The Commissioners may from time to time, upon the basis of changed conditions or facts, redetermine and refix any such maximum rate of interest, but, before determining or redetermining any such maximum rate, the Commissioners shall give reasonable notice of their intention to consider doing so to all licensees and a reasonable opportunity to be heard and introduce evidence with respect thereto and such notice shall also be published once each week for two consecutive weeks in one or more of the daily newspapers published in the District of Columbia. Any such changed maximum rate of interest shall not affect preexisting loan contracts lawfully entered into between any licensee and any borrower. Until such time as a different rate is fixed by the Commissioners in accordance with the authorization contained in this section, every licensed pawnbroker may contract for and receive on any loan of money, not exceeding."

On page 24, line 12, in the blank space after the dollar sign insert "100."

On page 29, line 15, after the word "Corporation" insert the following: ", or the Home Loan Bank Board, or the Federal Savings and Loan Insurance Corporation."

The committee amendments were agreed to.

Mr. KEARNS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KEARNS:

On page 7, line 14, strike out "$100,000" and insert in lieu thereof "$20,000."

On page 12, line 3, strike out "$250" and insert in lieu thereof "$500."

On page 15, line 12, immediately following the word "whatsoever" insert the following: "except premium on insurance to protect the loan as provided by subsection (j) of this section."

On page 16, line 16, insert a new sentence to read as follows: "any loan made under this title shall provide for repayment in substantially equal periodic installments and the scheduled maturity thereof shall not exceed 21 calendar months."

On page 18, at the end of line 10 insert a new subsection (j):

"(j) Any licensee, or employee thereof, if duly licensed as an insurance agent by the District of Columbia, may sell insurance on the life of the principal borrower in connection with the making of a loan hereunder and collect the actual premiums thereon. Any gain or advantage in the form of commissions or otherwise to the licensee or employee shall not be deemed to be an additional or further interest or charge in connection with the loan.

"All such insurance shall be written by a company duly authorized to conduct such business in the District of Columbia and shall be in an amount not exceeding the face amount of the loan and for a term not exceeding the maturity of the loan, provided that upon a loan repayable in installments, such insurance shall not exceed the approximate unpaid balance of the loan.

"The licensee shall not require the purchasing of such life insurance as a condition precedent to the making of any loan hereunder."

Mr. McMILLAN. Mr. Speaker, the committee accepts the amendment.

Mr. O'HARA of Illinois. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, may I ask the gentleman from Pennsylvania if his amendment provides for tie-in insurance?

Mr. KEARNS. This amendment is solely for that purpose, so that any person who wants to make a loan may or may not take out insurance on it. It is optional in this bill.

Mr. O'HARA of Illinois. Mr. Speaker, I think the House should know that this tie-in insurance is the practice which has been condemned by the courts, and has been condemned in many States of the Union.

The tie-in of money loaning with insurance in the few places where permitted is bringing the small loan industry down to the level of the old loan shark business. I think the members should consider this amendment very carefully.

As a member of the Committee on Banking and Currency I supported the bill divesting bank holding companies of non-banking activities. The House passed this bill by an overwhelming vote. With what consistency could I support this amendment or even remain silent when such a proposal is offered?

We said that the banks shall not go into nonbanking activities, yet this amendment would permit small loan bankers to go into the insurance business. It is a proposal that has been condemned in most of the States of the Union. It follows a very dangerous pattern that this body only a few weeks ago decreed should not be tolerated in the case of banks or bank-holding companies.

Mr. KEARNS. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. It seems to me the gentleman is speaking about compulsory insurance. That is not the purpose of the pending amendment at all. You have small loans authorized in 48 States and this amendment makes it possible for a borrower to take insurance if he wishes to take it, but there is nothing mandatory in this law that makes him take any insurance. It is purely optional.

Mr. O'HARA of Illinois. The Supreme Court of Arkansas has passed upon the matter whether this is compulsory or voluntary, and I would sooner give respect to the Supreme Court of Arkansas than to give respect to a lobby.

Mr. KEARNS. As a matter of fact, if the gentleman will read the report of the Senate Committee on Small Business, signed by all members of that committee on both sides of the aisle, he will find that they felt that the optional phase of insurance as far as loans are concerned is proper. I am a little bit afraid that the gentleman is confused between optional and mandatory insurance.

Mr. O'HARA of Illinois. No, there is no confusion on the part of the gentleman who is now speaking and I think there was no confusion in the minds of the distinguished jurists of the Supreme Court of Arkansas. There are a number of other high courts in this land that have spoken on this matter. Are we going to permit this to slip through on District Day when most members do not pay too much attention to District bills?

Mr. Speaker, public hearings were held on this bill and the provisions of this amendment were not in the bill. The committee, as far as I know, never considered this condemned and vicious tie-in gadget.

Mr. KEARNS. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman and I wish he would answer the question.

Mr. KEARNS. I stated when I introduced the amendment that by error in printing this amendment was omitted. The amendment was adopted by the full committee by a vote of 14 to 1. That is for the gentleman's information.

Mr. O'HARA of Illinois. When public hearings were held, was it in the bill then? Did you call in a single person at your public hearings to testify on this?

Mr. KLEIN. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from New York.

Mr. KLEIN. I will be very happy to answer the question. I really hate to disagree with the gentleman, however, I was chairman of this subcommittee when we held public hearings on the bill. The gentleman is correct when he states that as the bill was originally written it did not contain this provision; however, when hearings were held opportunity was given to all people, both pro and con. A gentleman representing an organization, I do not remember the name of the organization, but a national organization of which most of these companies are members, advocated and pointed out to the committee that most of the States that have these laws do have a provision, permitting, not making it compulsory but permitting, a borrower to take out insurance which would in the event of his death mean that his estate and family would not have to pay off the proceeds of the loan. As a result of his testimony, in executive session the subcommittee wrote this provision in or a similar provision perhaps I should say. It has been changed once or twice. Most of the States do have this. I think it is a very salutary feature of these bills to permit, not to make it compulsory, this to be done. This simply permits a borrower if he makes a small loan to take out insurance if he wants to. He can take it out from any insurance company. He does not necessarily have to take it out from the lender of the money. It is simply permissive. We believe it is a very salutary feature and I hope the gentleman will not vote against it.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that gentleman from Illinois [Mr. O'HARA] may proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. O'HARA of Illinois. I do not know why this amendment is offered. I do know that the committee held public hearings, and at the time those public hearings were held it was not in the bill. Then suddenly this bobbed up in the form of an amendment. It has been condemned by the National Association of Small Loan people, the reputable people in the business.

Mr. LANHAM. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Georgia.

Mr. LANHAM. To call this voluntary does not mean anything, because what will happen is this: The lender will simply require it before he will make the loan.

Mr. O'HARA of Illinois. Why, of course.

Mr. LANHAM. This same thing has just been done in the State of Georgia. These loans sharks have just flooded the city of Atlanta and have come back into Georgia because of this provision written into the law down there. Of course, it simply adds to the interest, really; it is, in effect, an increase in the interest rate. We already give them high enough interest rates, but this just adds to what they make on these loans, and they force the borrower to pay for it. To say that this is voluntary is just absurd.

Mr. O'HARA of Illinois. I am so thankful for the gentleman so well and convincingly presenting the case against this amendment. It is a bad amendment and should be voted down.

Mr. MURRAY of Illinois. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Illinois.

Mr. MURRAY of Illinois. I would like to compliment my able colleague from Illinois for bringing out the facts concerning this amendment. I would like to ask this question. Is not this bill in effect a regulation of a business whose customers are people who are incapable of bargaining. Therefore, when we permit a so-called permissive insurance rate we, in effect, are making it mandatory. The individuals who deal with these pawnbrokers are not in a position to bargain for themselves. Is that not correct?

Mr. O'HARA of Illinois. The gentleman is absolutely right, and that is what the court in Arkansas and other courts have held.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Is there any danger of legalizing usury in this connection?

Mr. O'HARA of Illinois. Yes, it definitely legalizes usury. The gentleman put it so well.

Mr. BOYLE. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Illinois.

Mr. BOYLE. I am very happy to join my colleague, the gentleman from Illinois [Mr. O'HARA] in pointing out to the House on this particular occasion the irony of this amendment. You can say what you want about compulsory or not compulsory insurance. Actually, the individuals, the borrowers, who need this money have no freedom of specification at all. They present themselves to this concern, and they have to, a fortiori, take the conditions that the House lays down.

As a matter of fact, this reminds me of a story that received considerable currency at one time. During a banquet a gentleman who owned one of these lending institutions or these bucket shops, if you want to call them that under this particular act, said to the chairman who was then conducting the meeting, "Why, sure," he said, "we do business with everybody. When the chairman here used to get short, we used to be glad to give him some money. He used to come up frequently." And, when the chairman got the floor again, he said, "Oh, no, I did not." He said, "I never had anything to do with the gentleman or with his institution, and as proof of that, I still got my right eye."

I think if we pass this amendment, we are going to be taking the right eye away from a lot of little people who have to have this type of financing in order to get along. I think it is shameful that through administrative error, or whatever the reason, this particular aspect of the bill did not come in for hearings and people were not permitted to testify as to its abortiveness.

Mr. BROYHILL. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Virginia.

Mr. BROYHILL. Mr. Speaker, I maintain that this proposed legislation is not necessary. It is not needed in the District of Columbia. Why argue about the amendment? Let us vote for the amendment and then vote against the bill.

The SPEAKER. The time of the gentleman has again expired.

Mr. KLEIN. Mr. Speaker, I move to strike out the requisite number of words.

Mr. Speaker, it seems to me there is a lot of heat being generated here. I regret to say to my good friend from Illinois and all of his colleagues that I really believe they have the wrong impression of what is intended to be done by this bill.

I should like to ask the gentleman from Illinois [Mr. O'HARA]—and I yield to him for the purpose of answering the question—whether the State of Illinois has a small loan law at the present time.

Mr. O'HARA of Illinois. Yes, sir.

Mr. KLEIN. And does it have any insurance feature in it?

Mr. O'HARA of Illinois. It does not. We do have a small loan law. The rate is the same in Illinois as it is in this bill. That is not right, because in Washington you do not have seasonal employment and other factors in cost determination. Most of the people here work for the Government. The rate in Chicago starts at 3 percent, and if that is so, the rate here should not be more than 2 percent.

Mr. KLEIN. The matter of the rate is a different thing. We are now debating this amendment. But I am glad the gentleman referred to that point. The overall average here, I believe, is less than it is in the State of Virginia. It starts at 3 percent and then gets progressively lower.

I want to point out to the gentleman that this is the same type of law that they have in 47 States of the Union. There is no difference, except in the interest rates. With respect to this insurance feature, the reason that was written in, as I pointed out to the gentleman earlier, was because we felt it afforded additional protection to the borrower. It would not make a great deal of difference if we took it out. It was not in the bill as originally drafted by the Corporation Counsel of the District of Columbia. During the hearings on the bill, testimony was adduced before the committee pointing out the desirabiilty of the insurance feature and also pointing out that a majority of the States had it. The only question in our minds was as to whether we would make it compulsory or make it permissive by the borrower. We wanted to help the borrower. That is the purpose of it. We do not want the people in the District of Columbia to have to go to other States in order to get a loan, if they need one. We wanted to make it attractive to them here. It is true the interest rate is high, but so it is in every small loan law in every State in the Union.

Mr. MURRAY of Illinois. Mr. Speaker, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman.

Mr. MURRAY of Illinois. Is it not a fact that with this type of insurance if the borrower dies, the insurance money goes into his estate in order to pay the loan?

Mr. KLEIN. That is what happens, yes.

Mr. MURRAY of Illinois. Is it not a fact that persons who would take these small loans from a pawnbroker ordinarily would not have an estate, so that in truth and in substance is not the insurance simply and purely a protection to the lender who is already protected by the interest rate?

Mr. KLEIN. No, not at all; certainly not. I think it would take an Illinois lawyer to figure that one out that way.

Here is what happens. You take out a loan from one of the small loan companies. If you want to take out insurance, it means that if you die before the loan is paid off, your widow or your estates will not have to pay that money.

That is all it is.

Mr. BOYLE of Illinois. Mr. Speaker, will the gentleman yield?

Mr. KLEIN. I yield.

Mr. BOYLE of Illinois. Does the gentleman really believe there is anything eleemosynary about this whole setup?

Mr. KLEIN. Of course not.

Mr. BOYLE of Illinois. Is it not a fact that the only reason a lending outfit is so happy to get insurance is to take care of risks they are already getting paid for?

Mr. KLEIN. There is no doubt about it. It is a business. The gentleman does not want business to go socialized, I hope.

Mr. BOYLE of Illinois. No; but I thought the gentleman was not trying to sell us on the idea there is anything eleemosynary about this whole deal. This is merely to take care of the loan.

Mr. KLEIN. If I gave that impression to the gentleman from Illinois or anybody else I must apologize. I never intended to. This is a legal business. They are entitled to their legal rate of interest, which is just what we are setting up here.

I do want to point out to the gentleman that in my humble opinion this in an added protection for the borrower.

I do not know where my good friend from Illinois, whom I respect and follow so often, got his idea. He is wrong.

Mr. O'HARA of Illinois. I have such great respect and affection for the gentleman from New York, the chairman of the subcommittee, that I feel confident that in view of the misgivings of many of us he himself will suggest the death of this amendment, which contains provisions not in the bill as it came from the gentleman's committee and for which he therefore is not responsible or sponsor.

Can the gentleman tell me what the permissible interest rate is in his own State of New York?

Mr. KLEIN. It is 3 percent a month. It is higher than it is in this bill, as it is in most of the States.

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Texas.

Mr. DIES. I hate to see this division in the conservative camp, and I hope you gentlemen can get together on this amendment.

Mr. PATMAN. Mr. Speaker, I move to strike out the last two words.

Mr. Speaker, I should like to ask the chairman of the committee, or one speaking for him, 2 or 3 questions about this bill. No. 1: This insurance amendment that is offered is quite a long amendment. Why was it not considered in the committee?

Mr. KLEIN. There was a difference in the committee as to the wording of the amendment. It was our intention, and the committee voted, I believe, 14 to 1 in favor of the bill with that amendment. I just want to point out that subsequent to the meeting of the committee it was pointed out that the bill as drafted did not accomplish the purpose.

Mr. PATMAN. It does not say anything about rates. Suppose one should borrow, say, $150. That is the amount they can receive, 3 percent a month, or 36 percent interest a year. How much would $150 insurance be for that 1 year's period if one borrowed it for a year?

Mr. KLEIN. I could not tell the gentleman.

Mr. PATMAN. How much would be the cost?

Mr. KLEIN. I do not know the figure.

Mr. PATMAN. Show us some rates. We ought to have something to base this on.

Mr. KLEIN. Whatever the standard rates are. They are regularly published.

Mr. PATMAN. What would it be? He is paying this off. If it is a 12-month loan, he will have paid half of it in 6 months. What kind of rate would it be?

Mr. KEARNS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. May I explain to the gentleman that the national rate is 1 percent per $100.

Mr. PATMAN. One percent per $100. I wish the committee had included that in their report.

Another thing: I do not like these tie-ins with insurance. As the gentleman from Illinois [Mr. O'HARA] properly and effectively brought out a while ago, in another committee we are trying to divorce insurance from loans. We have recently passed a holding company bill for the purpose of getting banks out of the insurance business and getting the insurance business out of the banks. That passed the House by a big vote, and it recently passed the Senate. It will be in conference. This is doing here for the District things we are trying to undo on a national scale. I just wondered why we would want to do an about-face so quickly as it relates only to the District.

Mr. KEARNS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. KEARNS. I believe the last paragraph of the amendment shows that it is the purpose of the committee in no way to encourage that.

Mr. PATMAN. I know that but, of course, I know something about practical things that enter into it. If a person should come in and the lender wanted a certain high rate of interest, he would require certain things or the loan would not be made, and on these tie-in sales, it has not been so good in the sections of the country that I know anything about. There is one other question. This 3 percent per month rate or 36 percent a year seems to be pretty high. I notice that they can go even higher than that, and that this 36 percent rate is only fixed pending the time that the commissioners ascertain what the rates should actually be, and if they decide, after evaluating all the facts and

circumstances and economic conditions and things like that, that the rate should be fixed at 5 percent a month then, of course, that rate would prevail over this 3 percent. Remember, I am talking about 5 percent per month which would be 60 percent a year. Does it not occur to the gentleman that we certainly should have a ceiling there in the District of Columbia? Of course, they have good Commissioners, and they try to do a good job, but they are not always familiar with the conditions and the facts like elected people and Members of Congress are. I wonder if they have the public responsibility that elected people have and that sense of responsibility that it is assumed that elected representatives of the people have. Here we are delegating to people who have never been elected in all probability to any public office, and never will be, and who are not responsible to a constituency and who have no constituency, the duty of fixing the rates to determine whether it should be 3 percent a month or 4 percent a month or 5 percent a month or 10 percent a month. That is going rather far.

Mr. KEARNS. The gentleman understands under the provisions of this bill, it is just 3 percent for the first $150, 2 percent for the next $150, and 1 percent for the unpaid balance. The bill also provides that a commission be appointed to study all the ramifications and to report back later.

Mr. PATMAN. Yes, but there is a gap there—a vacuum. We do not know how much these other charges will be. There is no way to compel them to itemize or to list the different charges and what they are for so as to let the borrower know exactly what he is paying. They can put the interest charge, the service charge and so on all right in together in one package and before you know it, the borrower is paying 100 percent and there is no way to get it back under this bill.

Mr. KEARNS. According to the bill, you do not need to take out any insurance whatsoever. The gentleman understands that in only 18 of the 48 States now is insurance mandatory.

Mr. PATMAN. Of course, the point that it is not mandatory does not impress me because I know it is a lenders' market. Whenever a poor, unfortunate, desperate person goes into a small loan office, it is a lenders' market and not the borrowers' market, and the lender can always fix his own terms and under this bill you are giving the lender too much advantage. It is possible here to charge that poor fellow 10 percent a month, if the Commissioners were to decide on a certain high rate of interest. I think the committee ought to give this amendment and this bill further study.

The SPEAKER. The time of the gentleman has expired.

Mr. McMILLAN. Mr. Speaker, I move the previous question on the pending amendment.

The previous question was ordered.

The SPEAKER. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. KEARNS].

The question was taken; and on a division (demanded by Mr. McMILLAN) there were—ayes 41, noes 58.

So the amendment was rejected.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. BROYHILL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BROYHILL. I am.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. BROYHILL moves to recommit the bill to the Committee on the District of Columbia.

Mr. McMILLAN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. BROYHILL) there were—ayes 24, noes 66.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. PATMAN) there were—ayes 76, noes 24.

So the bill was passed.

A motion to reconsider was laid on the table.

Mr. McMILLAN. Mr. Speaker, I ask that the other two bills on the calendar be carried over to next District day.

REGULATING ELECTION OF DELEGATES REPRESENTING THE DISTRICT OF COLUMBIA TO NATIONAL POLITICAL CONVENTIONS

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 191) to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes, with Senate amendments, disagree to the amendments of the Senate and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. HARRIS, ABERNETHY, DAVIS of Georgia, SIMPSON of Illinois, and O'HARA of Minnesota.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3990) entitled "An act to authorize the Secretary of the Interior to investigate and report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska."

RESERVE FORCES ACT OF 1955

Mr. VINSON. Mr. Speaker, I call up the conference report on the bill (H. R. 7000) to provide for strengthening of the Reserve Forces, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1335)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7000) to provide for strengthening of the Reserve Forces, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'Reserve Forces Act of 1955'.

"Amendments to the Armed Forces Reserve Act of 1952

"SEC. 2. (a) Section 205 (b) of the Armed Forces Reserve Act of 1952 (50 U. S. C. 925 (b)) is amended by striking out the words 'one million five hundred thousand' and inserting in lieu thereof the words 'two million nine hundred thousand. Until July 1, 1957, this total shall not include any person who has a reserve obligation on the date of enactment of the Reserve Forces Act of 1955 whenever such person is not participating satisfactorily in an accredited training program in the Ready Reserve, as prescribed by the appropriate Secretary'.

"(b) Section 208 of such Act is amended by (1) redesignating subsections (f), (g), (h), and (i) thereof as subsections (g), (h), (i), and (j), respectively, and (2) inserting, immediately after subsection (e) thereof, the following new subsection:

"'(f) Except as specifically provided by regulations prescribed by the Secretary of Defense (or the Secretary of the Treasury with respect to the United States Coast Guard), (1) each person inducted, enlisted, or appointed in any armed force of the United States or any component thereof under any provision of law after the date of enactment of the Reserve Forces Act of 1955 who becomes a member of the Ready Reserve by reason of any provision of law other than section 208 (c) of this Act, and (2) each person who after the date of enactment of the Reserve Forces Act of 1955 becomes a member of the Ready Reserve under section 263 of this Act, shall be required, while a member of the Ready Reserve, to (A) participate in not less than forty-eight scheduled drills or training periods, and to perform not more than seventeen days of active duty for training, during each year, or (B) perform annually not more than thirty days of active duty for training. Any such member of the Ready Reserve (except any member enlisted therein under section 6 (c) (2) (C) of the Universal Military Training and Service Act) who in any year fails to perform such training duty satisfactorily, as determined by the appropriate Secretary pursuant to regulations prescribed by the Secretary of Defense, may be ordered, without his consent, to perform additional active duty for training for not more than forty-five days. If such

failure occurs during the final year of any period of obligatory membership in the Ready Reserve, such membership shall be extended for such time, not exceeding six months, as may be required for the performance by such member of such additional active duty for training.'

"(c) Section 208 (g) of such Act, as amended by the preceding subsection of this Act, is amended by—

"(1) redesignating paragraphs (2), (3), and (4) thereof as paragraphs (3), (4), and (5), respectively; and

"(2) inserting, immediately after paragraph (1) thereof, the following new paragraph:

"'(2) if he (A) has served on active duty in the Armed Forces of the United States for not less than twelve months, and has served satisfactorily as a member of a unit of the Ready Reserve pursuant to a transfer made under section 263 (a) of this Act for a period which, when added to the period of his active duty, totals four years, or (B) has satisfactorily completed an enlistment under section 263 (b) of this Act;',

"(d) Section 208 of such Act (50 U. S. C. 928) is further amended by adding at the end thereof the following new subsections:

"'(k) Under regulations prescribed by the President, each Armed Force of the United States shall provide a system of continuous screening of units and members of the Ready Reserve to insure that—

"'(1) no significant attrition will occur to those members or units during a mobilization;

"'(2) there will be a proper balance of military skills;

"'(3) members of the Reserve Forces possessing critical civilian skills will not be retained in numbers beyond the requirements for those skills except for persons who have military skills for which there is an overriding requirement;

"'(4) with due respect to national security and military requirements, recognition is given to participation in combat; and

"'(5) members of the Reserve Forces whose mobilization in an emergency would result in extreme personal or community hardship are not retained in the Ready Reserve.

"'(l) Under regulations prescribed by the Secretary of Defense (or the Secretary of the Treasury with respect to the United States Coast Guard), any member of the Standby Reserve who has not completed his obligated period of military service in the Ready Reserve may be transferred to the Ready Reserve whenever the reason for his transfer to the Standby Reserve no longer exists.'

"(e) Section 233 (a) of such Act (50 U. S. C. 961 (a)) is amended by adding at the end thereof the following new sentence: 'No member of the Standby Reserve may be ordered to active duty under this subsection until the Director of Selective Service has determined that such member is available for active duty.'

"(f) The proviso contained in section 233 (b) (1) of such Act (50 U. S. C. 961 (b) (1)) is amended to read as follows: '*Provided*, That not more than one million members of the Ready Reserve of all reserve components may be required to perform active duty involuntarily at any time unless the Congress shall have authorized the exercise of the authority contained in this subsection with respect to a larger number'.

"(g) Section 233 of such Act (50 U. S. C. 961) is further amended by adding at the end thereof the following new subsection:

"'(h) Under such regulations as the Secretary of Defense shall prescribe any person who, while a member of a reserve component, becomes a regular or duly ordained minister of religion shall be entitled upon his request to a discharge from the reserve component of which he is a member. No member of any reserve component shall be required to serve on active duty, or to participate in active training and service, active duty for training, or inactive duty training, while preparing for the ministry in a recognized theological or divinity school.'

"(h) Chapter 7 of part II of such Act is amended by inserting, immediately after section 259 thereof, the following new section:

"'SEC. 260. (a) Under such regulations as the Secretary of Defense shall prescribe, each military department of the Department of Defense shall cause to be prepared and maintained an accurate record of the number of members of each class of each reserve component who during each fiscal year have satisfactorily participated in (1) active duty for training, and (2) inactive duty training with pay.

"'(b) In January of each year the Secretary of Defense shall transmit to the President and to the Congress a report which shall contain an account of the status of training of each reserve component of the Armed Forces, and the progress made in the strengthening of the reserve components, during the preceding fiscal year.'

"(i) Part II of such Act, as amended by preceding subsections of this section, is amended by inserting at the end thereof the following new chapter:

"'CHAPTER 8—SPECIAL ENLISTMENT PROGRAM

"'SEC. 261 (a) Under such regulations as the appropriate Secretary shall prescribe, any person who is qualified for enlistment for active duty in the Army, Navy, Marine Corps, Air Force, or Coast Guard, and who has not been ordered to report for induction into the Armed Forces under the Universal Military Training and Service Act, may be enlisted in the Army Reserve, Naval Reserve, Marine Corps Reserve, Air Force Reserve, or Coast Guard Reserve, respectively, pursuant to the provisions of this section.

"'(b) Each enlistment under this section shall be for a period of six years. Each person so enlisted shall be required during such enlistment to perform—

"1 '(1) active duty for a period of two years;

"'(2) satisfactory service as a member of the Ready Reserve for a period which, when added to service rendered under paragraph (1) of this subsection, will total five years; and

"'(3) the remainder of such period of enlistment as a member of the Standby Reserve.

"'SEC. 262. (a) Until August 1, 1959, whenever the President determines that the enlisted strength of the Ready Reserve of the Army Reserve, Naval Reserve, Marine Corps Reserve, Air Force Reserve, or Coast Guard Reserve cannot be maintained at the level which he determines to be necessary in the interest of national defense, he may authorize the acceptance of enlistments in units of such Ready Reserve pursuant to the provisions of this section under regulations prescribed by the Secretary of Defense. Enlistments under this section may be accepted only within quotas (which quotas shall not exceed a total of 250,000 persons annually) prescribed by the appropriate Secretary with the approval of the Secretary of Defense. No enlistment shall be accepted under this section in the Ready Reserve of any reserve component if such enlistment would cause the strength of such Ready Reserve to exceed the authorized strength of such Ready Reserve.

"'(b) Enlistments under this section may be accepted from persons who—

"'(1) are physically and mentally qualified for service in the Armed Forces;

"'(2) have not been ordered to report for induction into the Armed Forces under the Universal Military Training and Service Act; and

"'(3) have not attained the age of eighteen years and six months.

In addition, the President, under such rules and regulations as he may prescribe, may authorize the enlistment under this section, without regard to the provisions of paragraphs (2) and (3), of persons who fulfill the requirements of paragraph (1) and who have critical skills and are engaged in civilian occupations in any critical defense-supporting industry or in any research activity affecting national defense.

"'(c) Each enlistment under this section shall be for a period of eight years. Each person so enlisted shall be required during such enlistment (1) to perform an initial period of active duty for training of not less than three months or more than six months, and (2) thereafter to perform satisfactorily all training duty prescribed by section 208 (f) of this Act, except that (A) performance of such initial period of active duty for training by any person enlisted under this section while satisfactorily pursuing a course of instruction in a high school shall be deferred until such person ceases to pursue such course satisfactorily, graduates from such course, or attains the age of twenty years, whichever first occurs, and (B) persons specially enlisted because of their possession of critical skills may be relieved of any obligation to perform the training duty prescribed by section 208 (f). Each such person shall be deferred from training and service under the Universal Military Training and Service Act, as amended, so long as he continues to serve satisfactorily, as determined under regulations prescribed by the appropriate Secretary, and upon the completion of eight years of such satisfactory service pursuant to such enlistment shall be exempt from further liability for induction for training and service under such Act, except after a declaration of war or national emergency made by the Congress after the date of enactment of this subsection.

"'(d) Notwithstanding any other provision of law, any person performing the period of active duty for training required by clause (1) of subsection (c) of this section shall—

"'(1) during such period, and during any period of hospitalization incident to the performance of such duty, receive pay at the rate of $50 per month;

"'(2) be deemed to be serving in pay grade E–1 (under four months) for the purpose of determining his eligibility to receive allowances for subsistence or for travel and transportation, or to receive any benefit under title IV of the Career Compensation Act of 1949, as amended; and

"'(3) be deemed to be a member of a reserve component called or ordered into active service for extended service in excess of thirty days for the purpose of determining eligibility for any benefit made available to members of reserve components by the Act entitled "An Act to provide for members of the reserve components of the Armed Forces who suffer disability or death from injuries incurred while engaged in active duty training for periods of less than thirty days or while engaged in active duty training", approved June 20, 1949 (63 Stat. 201), except that (A) no such person shall be entitled to any benefit under section 621 of the National Service Life Insurance Act of 1940, as amended, and (B) the indemnity accorded to such person under the Servicemen's Indemnity Act of 1951, as amended, shall terminate thirty days after the release of such person from such period of active duty for training.

Except as specifically provided by this subsection, no person shall become entitled, by reason of his performance of a period of active duty for training required by clause (1) of subsection (c) of this section, to any right, benefit, or privilege provided by law for persons who have performed active duty in the Armed Forces.

"'(e) The National Security Training Commission shall advise the President and the Secretary of Defense, and shall report annually to the Congress, with respect to the welfare of persons performing periods of active duty for training under clause (1) of subsection (c) of this section, but shall have no authority with respect to the military training of such persons during such periods. Within sixty days after the date of enactment of the Reserve Forces Act of 1955, the National Security Training Commission shall submit to the Secretary of Defense a program containing recommendations for the personal safety, health, welfare, and morals of the members of the Ready Reserve while performing such active duty for training, including regulations concerning the dispensing of alcoholic beverages on training establishments, in conformity with the laws of the several States.

"'(f) Any person who completes satisfactorily the period of active duty for training required of him by clause (1) of subsection (c) of this section during any enlistment pursuant to this section shall be entitled, upon application for reemployment within sixty days after (A) his release from such required period of active duty for training after satisfactory completion thereof, or (B) his discharge from hospitalization incident to such duty continuing after such release for a period of not more than six months, to all reemployment rights and benefits provided by section 9 of the Universal Military Training and Service Act for individuals inducted under the provisions of such Act, except that (1) any person so restored to a position in accordance with the provisions of this section shall not be discharged from such position without cause within six months after such restoration, and (2) no reemployment rights granted by this subsection shall entitle any person to retention, preference, or displacement rights over a veteran with a superior claim under the Veterans Preference Act of 1944, as amended.

"'SEC. 263. (a) Until July 1, 1957, the Secretaries of the Army, Navy, and Air Force with the approval of the Secretary of Defense (and the Secretary of the Treasury with respect to the United States Coast Guard) may provide by regulations, which shall be as nearly uniform as practicable, for the release from active duty in the Armed Forces prior to serving the periods for which inducted or enlisted, but in no case before serving a minimum of twelve months, of individuals who were on active duty in the Armed Forces on the date of enactment of the Reserve Forces Act of 1955 and who volunteer for transfer to units of the Army Reserve, Naval Reserve, Marine Corps Reserve, Air Force Reserve, or Coast Guard Reserve. Each such individual shall be required to participate in the Ready Reserve under the provisions of section 208 (f) of this Act for a period which, when added to the period of his active duty, totals four years. The total number of individuals released from active duty under this subsection shall not exceed one hundred and fifty thousand annually.

"'(b) Until July 1, 1957, the Secretaries of the Army, Navy, and Air Force, with the approval of the Secretary of Defense (and the Secretary of the Treasury with respect to the United States Coast Guard) may accept enlistments in units of the Army Reserve, Naval Reserve, Marine Corps Reserve, Air Force Reserve, and Coast Guard Reserve for a period of one year from individuals released from active duty after the date of enactment of the Reserve Forces Act of 1955. Persons so enlisting shall be required during such enlistments to participate in the Ready Reserve under the provisions of section 208 (f) of this Act.'

"Universal Military Training and Service Act amendments

"SEC. 3 (a) Section 4 (a) (4) of the Universal Military Training and Service Act, as amended, is amended by striking out the first sentence thereof and inserting in lieu thereof the following: "'Each person who, subsequent to the date of enactment of this paragraph and on or before the date of enactment of the Reserve Forces Act of 1955, is inducted, enlisted, or appointed, under any provision of law, in the Armed Forces, including the reserve components thereof, or in the National Security Training Corps prior to attaining the twenty-sixth anniversary of his birth, shall be required to serve on active training and service in the Armed Forces or in training in the National Security Training Corps, and in a reserve component, for a total period of eight years, unless sooner discharged on the grounds of personal hardship, in accordance with regulations and standards prescribed by the Secretary of Defense (or the Secretary of the Treasury with respect to the United States Coast Guard). Each person who, subsequent to the date of enactment of the Reserve Forces Act of 1955, is inducted, enlisted, or appointed, under any provision of law, in the Armed Forces, including the reserve components thereof, except a person enlisting pursuant to the provisions of section 262 of the Armed Forces Reserve Act of 1952, or a person deferred under the next to the last sentence of section 6 (d) (1) of this Act, as amended, prior to attaining the twenty-sixth anniversary of his birth, shall be required to serve on active training and service in the Armed Forces and in a reserve component, for a total period of six years, unless sooner discharged on the grounds of personal hardship, in accordance with regulations and standards prescribed by the Secretary of Defense (or the Secretary of the Treasury with respect to the United States Coast Guard).'

"(b) Section 6 (c) (2) of such Act, as amended (50 U. S. C. App. 456 (c) (2)), is amended by—

"(1) adding at the end of clause (A) thereof the following new sentence: 'No such person who has completed eight years of satisfactory service as a member of an organized unit of the National Guard, and who during such service has performed active duty for training with an armed force for not less than three consecutive months, shall be liable for induction for training and service under this Act, except after a declaration of war or national emergency made by the Congress after the date of enactment of the Reserve Forces Act of 1955.';

"(2) striking out in clause (B) thereof the words 'or clause (A)' and inserting in lieu thereof a comma and the words 'or clause (A), clause (C), or clause (D)'; and

"(3) adding at the end thereof the following new clauses:

"'(C) Whenever the President determines that the enlisted strength of the Ready Reserve of the Army Reserve, Naval Reserve, Marine Corps Reserve, Air Force Reserve, or Coast Guard Reserve cannot be maintained at the level which he determines to be necessary in the interest of national defense, he may authorize the acceptance of enlistments in organized units of such Ready Reserve under regulations prescribed by the Secretary of Defense. Enlistments authorized by this clause may be accepted only (i) within quotas prescribed by the Secretary of Defense, and (ii) from persons who have not been ordered to report for induction under this Act and who have not attained the age of eighteen years and six months. Any person so enlisted shall be deferred from training and service under this Act so long as he continues to serve satisfactorily as a member of an organized unit of such Ready Reserve. No person deferred under the provisions of this clause shall by reason of such deferment be liable for training and service in the Armed Forces by reason of subsection (h) of this section after he has attained the twenty-eighth anniversary of the date of his birth.

"'(D) Within the quotas prescribed pursuant to section 262 of the Armed Forces Reserve Act of 1952, as amended, each person deferred pursuant to the provisions of clause (C) hereof may volunteer to perform a period of active duty for training pursuant to clause (1) of subsection (c) thereof subject to the provisions of subsection (d) of such section. No such person who has completed eight years of satisfactory service as a member of an organized unit of the Ready Reserve, and who during such service has performed such period of active duty for training, shall be liable for induction for training and service under this Act, except after a declaration of war or national emergency made by the Congress after the date of enactment of this clause.

"'(E) Notwithstanding any other provision of this Act, the President, under such rules and regulations as he may prescribe, may provide that any person enlisted or appointed in the Ready Reserve of any reserve component of the Armed Forces pursuant to authority conferred by this subsection or under section 262 of the Armed Forces Reserve Act of 1952, as amended, who fails to serve satisfactorily as a member of such Ready Reserve may be selected for training and service and inducted into the armed force of which such reserve component is a part, prior to the selection and induction of other persons liable therefor.'.

"(c) Section 6 (d) (1) of such Act (50 U. S. C., App. 456 (d) (1)) is amended by—

"(1) striking out in clause (C) of the first sentence thereof the words 'subsection (d) of section 4 of this title', and inserting in lieu thereof the words 'the first sentence of section 4 (d) (3) of this Act, or until the sixth anniversary of the receipt of a commission in accordance with his obligation under the second sentence of section 4 (d) (3) of this Act'; and

"(2) inserting at the end thereof the following: 'Upon the successful completion by any person of the required course of instruction under any program listed in clause (A) of the first sentence of this paragraph, such person shall be tendered a commission in the appropriate reserve component of the Armed Forces if he is otherwise qualified for such appointment. If, at the time of such appointment, the armed force in which such person is commissioned does not require his service on active duty in fulfillment of the obligation undertaken by him in compliance with clause (B) of the first sentence of this paragraph, such person shall be ordered to active duty for training with such armed force in the grade in which he was commissioned for a period of six months. Upon completion of such period of active duty for training, such person shall be returned to inactive duty and shall be assigned to an appropriate reserve unit until the eighth anniversary of the receipt of a commission pursuant to the provisions of this section. So long as such person performs satisfactory service in such unit, as determined under regulations prescribed by the Secretary of Defense, he shall be deferred from training and service under the provisions of this Act. If such person fails to perform satisfactory service in such unit, and such failure is not excused under regulations prescribed by the Secretary of Defense, his commission may be revoked by the Secretary of the military department concerned.'

"(d) Section 6 (d) (2) of such Act is amended by adding at the end thereof the following: 'Any person heretofore or hereafter enlisted in the Army Reserve, the Naval Reserve, the Marine Corps Reserve, the Air Force Reserve, or the Coast Guard Reserve who thereafter has been or may be commissioned therein upon graduation from an Officers' Candidate School of such Armed Force shall, if not ordered to active duty as a commissioned officer, be deferred from training and service under the provisions of this Act

so long as he performs satisfactory service as a commissioned officer in an appropriate unit of the Ready Reserve, as determined under regulations prescribed by the Secretary of the department concerned. If such person fails to perform satisfactory service in such unit, and such failure is not excused under such regulations, his commission may be revoked by such Secretary.' "

And the Senate agree to the same.

CARL VINSON,
OVERTON BROOKS,
PAUL J. KILDAY,
DEWEY SHORT,
L. C. ARENDS,
Managers on the Part of the House.

RICHARD B. RUSSELL,
HARRY F. BYRD,
By R. B. R.
JOHN M. STENNIS,
By R. B. R.
LEVERETT SALTONSTALL,
STYLES BRIDGES,
L. S.
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7000) to provide for strengthening of the Reserve Forces, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Under the Senate amendment the obligation to train in the Ready Reserve would be imposed upon each person enlisted, appointed, or inducted into the Armed Forces commencing with those entering the service 30 days after the date of enactment of the proposed legislation. Thus individuals now on active duty or any individual who entered on active duty after June 19, 1951, while retaining his Ready Reserve obligation, would not be obligated to train under the provisions of the proposed legislation.

The House bill applied the obligation to train in the Ready Reserve upon all persons appointed, enlisted, or inducted into the Armed Forces after July 27, 1953. Persons who had served on active duty prior to that date would be relieved of their Ready Reserve obligation.

The conferees agreed to the Senate version, but eliminated the 30-day period following the enactment of the proposed legislation.

Thus, under the conference report, young men who enter the Armed Forces after the date of enactment of the proposed legislation will be required to serve on active duty for the period for which they are obligated, and in the Ready Reserve, for a period of time which, when added to their period of active duty, totals 5 years.

Thus, an inductee who serves 2 years on active duty will be required to participate in training in the Ready Reserve for a period of 3 years. During this 3-year period, he will be required to participate in 48 drill periods and not to exceed 17 days' active duty for training annually. If he cannot participate in this type of training, or equivalent training, he can apply for 30 days of active duty each year, and thus fulfill his training obligation. If he refuses or fails to satisfactorily participate in the above type of training, he can be involuntarily ordered to active duty for 45 days to satisfy his Ready Reserve obligation for the year in which he fails to satisfactorily participate.

Under the Senate amendment the total military obligation remained at 8 years. That is, the period of active duty, plus the period of service in the Ready and Standby Reserve, remained at 8 years.

Under the House bill, the total obligation for all persons serving in the Armed Forces after June 19, 1951, was reduced to 6 years, except for the 6 months trainees and ROTC graduates who hereafter only perform active duty training for 6 months. Under the House bill, these individuals would continue to have an 8-year obligation.

The conferees agreed to provisions in the conference report which reduce the total obligation to 6 years for all individuals appointed, enlisted, or inducted into the Armed Forces after the date of enactment of the proposed legislation. However, individuals now serving on active duty, or who previously served on active duty, who, under the conference report, will have no obligation to train, will continue to have a total 8-year military obligation.

The only exceptions to the 6-year provision, with regard to the total military obligation, will be those individuals who enter into the 6 months' training program and agree to serve 7½ years in the Ready Reserve and who train annually therein. In addition, ROTC and OCS graduates who only perform 6 months of active duty training will likewise have an 8-year total obligation.

In addition, both the House bill and the Senate amendment contained a provision whereby persons may enlist in the Ready Reserve of the Army Reserve, Naval Reserve, Marine Corps Reserve, Air Force Reserve, or Coast Guard Reserve, prior to reaching the age of 18 years and 6 months.

These persons will be deferred from training and service so long as they continue to serve satisfactorily as a member of an organized unit of the Ready Reserve.

Each person will be deferred until he has attained the 28th anniversary of the date of his birth.

This will authorize enlistments in the Reserve Components of the Military Services in the same manner in which persons may now be enlisted in the National Guard.

If any such enlistee performs a period of active duty for training of not less than 3 months nor more than 6 months and thereafter continues to satisfactorily participate in the Ready Reserve, he will not be liable for induction after he has completed 8 years of combined active duty for training and Ready Reserve training.

Thus, if the President determines that the Ready Reserve strength of the Armed Forces is not maintained at the level he deems necessary, he can authorize individuals to enlist in such Reserve Components prior to attaining the age of 18½ in a manner similar to existing law with respect to the National Guard.

These individuals remain liable for induction up to age 28 if they fail to satisfactorily participate in the Ready Reserve in which they enlisted. However, under the conference report, enlistees in the Armed Forces under this provision can reduce their liability for induction from age 28 to a total 8-year obligation by active duty for training of not less than 3 nor more than 6 months. Such enlistees will, while serving on such active duty training receive the same pay and benefits as are applicable to individuals who enlist under the age of 18½ in the 6 months' training program, provided for in other provisions of the conference report.

Both the House bill and the Senate amendment provided for a not to exceed 6 months' training program. Individuals may agree to participate in active duty training and thereafter to serve in the Ready Reserve for 7½ years and to train therein. Enlistment in such a program is voluntary, but thereafter the Reserve training is mandatory.

The Senate amendment did not establish a statutory limit of the quota to be trained in this program annually. The House bill provided an annual quota of not to exceed 250,000. The House bill also provided that the training would be for not more than 6 months. The Senate amendment provided that the training would be for not less than 3 nor more than 6 months. The conferees agreed to this portion of the Senate amendment.

The House bill contained a July 1, 1959, termination date for the authorization for the 6 months' training program. The Senate amendment contained similar language, but extended the date 1 month to August 1, 1959. The conferees agreed to this portion of the Senate amendment.

Persons enlisting in the 6 months' program prior to reaching the age of 18½ years while pursuing a course of instruction in high school shall be deferred from the 6 months' training until such person ceases to pursue his high-school course satisfactorily, graduates, or attains the age of 20 years, whichever first occurs.

Thus, under the conference report, not to exceed 250,000 young men may be accepted for training in the Armed Forces provided they agree to perform active-duty training for not less than 3 nor more than 6 months as may be determined by the Secretary of Defense and thereafter, until he has completed a total period of 8 years of combined active and reserve service, such individual will be obligated to perform training in the Ready Reserve consisting of 48 drill periods and not more than 17 days of active-duty training each year, or in lieu thereof, 30 days of active duty training each year.

If a 6-month trainee, or an individual who enlists in the Reserve prior to attaining age 18½ and agrees to remain liable for induction up to age 28, fails to participate satisfactorily, he may be ordered to active duty for 45 days or he may be selected for training and service and inducted into the Armed Forces prior to the induction of other persons liable therefor.

The Senate amendment required no participation in training for any person entering the armed services prior to 30 days after the effective date of the act. However, in order to induce such persons to participate in training upon their release from active duty, the amendment contained provisions whereby any person who had served on active duty for not less than 18 months could be assigned or enlisted in an organized combat unit of the Ready Reserve of the Army or Marine Corps for a period of 3 years and be entitled to receive a bonus in an amount equal to that basic pay to which such person would be entitled for 2 months' service on active duty in the grade in which he was assigned or enlisted.

Furthermore, persons who on the effective date of the act were serving in an active unit of the Ready Reserve which had been designated an organized combat unit could have been discharged for the purpose of reenlisting in such unit and thus become eligible for the payment of the bonus.

The House bill contained no such provisions and the Senate conferees receded on these provisions of the Senate amendment and in lieu thereof the conferees adopted other provisions to induce persons to voluntarily participate in training.

The first provision would authorize the Secretaries of the military services, with the approval of the Secretary of Defense, until July 1, 1957, to promulgate regulations whereby persons who have already been inducted or enlisted and who complete a minimum of 12 months in the Armed Forces, to be released from active duty and transferred to units of the Army Reserve, Naval Reserve, Marine Corps Reserve, Air Force Reserve, or Coast Guard Reserve, if such individual agrees to participate in training in the Ready Reserve for a period which, when added to the period of his active duty, totals 4 years. The maximum number of individuals who can be released from active duty under this provision may not exceed 150,000 persons annually.

The second provision adopted by the conferees to induce persons to voluntarily participate in Reserve training, provides that,

until July 1, 1957, the Secretaries of the military services, subject to the approval of the Secretary of Defense, may accept enlistments in the Ready Reserve for a period of 1 year from individuals who are released from active duty after the date of enactment of the conference report. Such persons who enlist will be required to train during that 1-year period, but, thereafter, at his own request, he will be relieved of further obligation to serve in the Ready Reserve.

The total number of enlistments under this provision may not exceed 200,000 annually.

Both the House bill and the Senate amendment contained provisions whereby the National Security Training Commission would advise the President and the Secretary of Defense and report annually to the Congress with respect to the welfare of persons performing initial periods of active duty for training, but would have no authority with respect to the military training of such persons.

The Senate amendment contained an additional provision whereby, within 60 days after the date of enactment of the act, the National Security Training Commission would submit to the Secretary of Defense a program containing recommendations for the personal safety, health, welfare, and morals of the "not less than 3 or more than 6 months trainees" while performing active duty for training, including regulations concerning the dispensing of alcoholic beverages on training establishments in conformity with the laws of the several States.

The House bill contained no such provision, and the House conferees receded and agreed to this provision of the Senate amendment.

The House bill provided that when persons had completed their Ready Reserve obligation, they would automatically be transferred to the Standby Reserve. The Senate amendment provided that persons would be transferred to the Standby Reserve at their own request, as is now the case in existing law.

The House conferees recognized that some persons in the Ready Reserve would want to voluntarily remain in the Ready Reserve after having completed their obligated period of service and thus agreed to that portion of the Senate amendment that it would be necessary for a person to request transfer to the Standby Reserve.

The Senate amendment provided for the transfer of persons from the Standby Reserve to the Ready Reserve whenever the reason for their transfer to the Standby Reserve no longer existed. The House bill contained no similar provision. This portion of the Senate amendment is intended to provide authority to reassign individuals who were engaged in critical skills and who no longer engaged in such skills while still under a reserve obligation, to be placed back in the Ready Reserve to complete their obligation. The House managers agreed to this portion of the Senate amendment. This portion of the amendment, plus the authority to screen individuals into the Standby Reserve, will provide a program which will assist in the solution of the vital question of the proper utilization of persons with critical skills engaged in defense-supporting activities and those so engaged in research.

In determining which persons enter this program, the President will have available to him the advice and assistance of the Selective Service System, and in determining which persons should be transferred from the Standby to the Ready Reserve under the Senate amendment, the Secretary of Defense will have available to him the advice and assistance of the Selective Service System.

There were no changes in substance made between the House bill and the Senate amendment with respect to ministerial students and the authority of the President to order a limited number of Ready Reservists to active duty in time of national emergency.

Both the House bill and the Senate amendment contained a provision fixing the ceiling on the size of the Ready Reserve at 2,900,000 persons. The conferees agreed that this figure, until July 1, 1957, should only represent persons who are participating in training in the Ready Reserve and others who do not train while having a Ready Reserve obligation will not be counted against that total.

Other changes between the House bill and the Senate amendment are technical or clarifying in nature and do not affect the substance of the conference report.

CARL VINSON,
OVERTON BROOKS,
PAUL J. KILDAY,
DEWEY SHORT,
L. C. ARENDS,
Managers on the Part of the House.

Mr. VINSON. Mr. Speaker, in view of the fact that the conference report was printed in the RECORD on last Thursday, I ask unanimous consent to dispense with reading the statement of the managers on the part of the House.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS of Louisiana. Mr. Speaker, I would like to outline to the Members of the House, the agreement which the managers on the part of the House have arrived at following the conference with the Senate on H. R. 7000, which provides for the strengthening of the Reserve forces.

The purpose of this legislation is to provide the machinery by which our Reserve forces may be so organized and trained that, in the event of war, they can be mobilized quickly to augment the active forces in combat and to carry out the internal security missions in the United States.

I firmly believe this will be accomplished by the agreement reached between the managers on the part of the House and the Senate on this legislation. It provides the basic authority to increase the size and to strengthen the Reserve forces of the Armed Forces of the United States, and also to insure participation in Reserve training which is so necessary if we are to build up and maintain a strong and virile Reserve force.

There were three major points in conference which I will discuss and I will also tell you of the minor points upon which agreement was reached during the conference.

The first major point in conference was the determination of the effective date, after which persons would be obligated to participate in Reserve training.

Under the Senate amendment, the obligation to train in the Ready Reserve was imposed upon each person enlisted, appointed, or inducted into the Armed Forces, commencing with those persons entering the service 30 days after the date of enactment of the bill.

Thus individuals now on active duty or any individual who entered on active duty after June 19, 1951, though retaining his Ready Reserve obligation, would not be obligated to train in the Reserve.

On the other hand, the House bill obliged each person to train in the Ready Reserve if he was appointed, enlisted, or inducted into the Armed Forces after July 27, 1953. The House version used that date because it was the terminal date of the Korean hostilities, and under the House language, persons who had served on active duty prior to that date would have been relieved of their Ready Reserve obligation.

The House managers agreed to the Senate version in this respect and the conference report now provides that any person who entered the Armed Services prior to the effective date of the act will have no obligation to train in the Ready Reserve.

I must emphasize here, however, that it should not be understood that such persons are being relieved of their Reserve liability for a call to active duty, but the bill as agreed upon in conference would not require such persons to participate in training in the Ready Reserve.

The managers on the part of the House agreed with the Senate that there was a widespread misunderstanding among enlisted personnel now on active duty as to their liability, or obligation, to actually participate in 48 drills annually, plus 2 weeks of active duty on their return to civilian life upon completion of their active service.

The House conferees agreed that it would be best to have all persons entering upon active duty have an opportunity to clearly understand their responsibility to the very appreciable requirement of further Reserve training before they enter service—instead of after—and consequently, only those persons entering on active duty after the date of enactment of the act will be required to participate in training in the Ready Reserve.

The Senate amendment which made, for all intents and purposes, the effective date of the act 30 days after its enactment, was not agreed to by the House managers and, consequently, the Senate agreed that the effective date would be the date of enactment.

Having accepted this concept—and I repeat the concept that persons entering the armed services prior to the effective date of the act should not be required to participate in training—the serious problem arose of providing trained men for the Ready Reserve over the period of the next 2 years which is the period when persons now serving on active duty will be discharged with no obligation to participate in Reserve training.

This question was met by writing two new provisions into the bill. In order to induce persons to participate in training upon their release from active duty, when they have no obligation to train, a provision was added which would authorize the Secretaries of the military services, with the approval of the Secretary of Defense, until July 1, 1957, to promulgate regulations whereby persons who had already been inducted or enlisted and who had completed a minimum of 12 months of active duty in the Armed Forces would be released from

active duty and transferred to the Ready Reserve of one of the military services. Such a transfer would be predicated on the individual agreeing to participate in training in the Ready Reserve for a period which, when added to the period of his active duty totaled 4 years.

In order to not lower the effectiveness of the active forces by too many people being released early, a quota was established whereby only 150,000 persons annually could be released early in order to enter the training program in the Ready Reserve.

Let me give you an example of how this would work:

Suppose a man had been inducted and under existing law would be required to serve 2 years in the active service. Under this provision, he could be released after he served 1 year if he would agree to voluntarily participate in Reserve training in the Ready Reserve for a period of 3 years.

Thus, you have the total of 1 year on active duty plus 3 years in the Ready Reserve, which gives you the total of 4 years required by this new provision.

After the reservist has participated satisfactorily in the Ready Reserve he would, upon his release, be transferred to the Standby Reserve where he is not required to participate in training.

In order to further induce persons to train in the Ready Reserve when such persons do not have an obligation to train, a second provision was adopted by the conferees.

Again, until July 1, 1957, the Secretaries of the Military Services, subject to the approval of the Secretary of Defense, may accept enlistments in the Ready Reserve for a period of 1 year from individuals who are released from active duty after the enactment of the bill.

Now, these persons who voluntarily enlist will be required to train during that 1-year period by taking 48 drills annually and a maximum of 17 days on active duty for training. However, at the end of that 1 year, at his own request, a reservist who has so enlisted will be relieved of all further obligation to serve in the Ready Reserve and will be transferred to the Standby Reserve where he has no obligation to train.

Again, the conferees thought that a quota on such enlistments was necessary, and set the quota at 200,000 persons so enlisting annually.

So you see that, although the conferees agreed not to require persons who entered the Armed Services prior to the date of the enactment of this bill to participate in training, we have set up two programs whereby we believe we have offered sufficient incentives to these young men to voluntarily join the Ready Reserve of a Reserve component and work off their Ready Reserve obligation.

As I have said in the first case, the inducement would be an early release from the active service and in the second case the inducement would be a chance to spend a very short time in training in the Ready Reserve, for which the reservist would be relieved of this Ready Reserve obligation.

We believe these programs will be successful and, although they are limited to a 2-year period, if the quotas are filled, we will have 700,000 reservists actively participating in the Ready Reserve under these two programs. Then, add to that figure the more than 700,000 we have voluntarily participating today and you will see that we will be well along our way to the goal of 2,900,000, which we want to have in the Ready Reserve by 1959.

There is no question about it. Prior service personnel are the backbone of the Reserve.

Of course, we want to have non-prior-service personnel in the Reserve, and we want a steady flow of people who have received their basic training coming into the Reserve each year, but keep in mind that the young man with only basic training under his belt cannot take the place of well-trained noncommissioned officers.

We must do everything at our command to induce the prior trained serviceman to participate in the Ready Reserve.

Of course, all persons entering the armed services after the effective date of the act may be required to participate in training. But what the conferees were concerned about was this period of time between the effective date of the act and that period when prior-trained service personnel will be discharged with an obligation to participate in training.

That will be a 2-year period, and these 2 programs, which I have just outlined, are designed to fill the gap and provide prior-trained service personnel who will actively participate in the Ready Reserve.

And I do not wish to pass from this point without emphasizing that the two programs which I have just outlined are purely voluntary. It will be strictly up to the individual if he wishes to request an early release from active duty in order to participate in Ready Reserve training, and, likewise, it will be purely voluntary on the part of a person who wishes to enlist in a Ready Reserve unit and participate in training in order to shorten his Ready Reserve obligation.

Now, the Senate version of the bill would have adopted an entirely different concept. Inasmuch as the Senate amendment required no persons entering the armed services prior to enactment of the act to participate in training, the payment of a bonus was authorized in order to induce persons with no obligation to train, to voluntarily do so upon their discharge from active duty.

The Senate amendment provided that whenever a person had served on active duty for not less than 18 months he could, upon his request, be assigned or enlisted in an organized combat unit of the Ready Reserve of the Army or Marine Corps for a period of 3 years, and thereupon he would be entitled to receive a bonus in an amount equal to that basic pay to which he would be entitled for 2 months' service on active duty in the grade in which he was assigned or enlisted.

Furthermore, all persons who on the effective date of the act were serving in an active unit of the Ready Reserve which had been designated an organized combat unit would have been discharged for the purpose of reenlistment in that unit, and thus become eligible for the payment of the bonus.

I believe that everyone will agree that the provisions which the conferees adopted are far more desirable than the payment of a monetary bonus.

The next major point in conference was the question of "What is to be the total military obligation for persons entering the armed services?

The Members will recall that the House bill reduced the military obligation for everyone entering the armed services after June 19, 1951, to 6 years. Since that date the total obligation had been 8 years.

On the other hand, the Senate amendment retained the 8-year obligation presently provided for in existing law.

The conferees reached an agreement which, in my opinion, is a most sensible one on this important problem.

The compromise is this:

All persons who entered the armed services prior to the enactment of the bill will continue to have an 8-year obligation. On the other hand, all persons entering the armed services after the enactment of the bill will only incur a 6-year obligation.

Now let me show you why I consider this to be sensible and equitable.

In the first place, a person who entered the armed services prior to the enactment of this bill knew he was incurring an 8-year obligation since that has been the law for several years. However, in all cases these persons did not understand that they would have any obligation to participate in Reserve training after their discharge from active duty.

I have already said that the conferees agreed with the Senate amendment to the effect that these persons, that is, who entered the armed services prior to the date of the enactment of the bill would not be required to train in the Reserves. Consequently, it makes sense to continue the 8-year obligation for these reservists.

But the person who enters the armed services following the enactment of the bill is in a different situation. He will be required to actively participate in training in the Ready Reserve following his discharge from active service. He will be required to perform 48 drills annually and a maximum of 17 days of active duty for training; or in lieu of this, he may select 30 days of active duty for training annually. But if he will do neither of these alternatives, he may be ordered to active duty for training for 45 days each year until his Reserve obligation has been completed.

So you see that we have two different categories of reservists. All have the same Ready Reserve obligation, but one group, that is, those who entered prior to the effective date of the act, will not be required to train, and the other group entering after the effective date of the act will be required to train.

Hence, the former group should, in all fairness, incur the longer total obligation and, by the same token, the person who trains after he has been discharged from the active service should have the shorter overall obligation.

Now, what I have spoken of were the major points of difference in the conference.

Let me state them again:

First. What would be the effective date after which a person would be obligated to train in the Ready Reserve upon his release from active duty?

Second. What should the Congress do to provide incentives for persons to train in the Ready Reserve when they had no obligation to do so? Should we pay them a bonus, or should we offer inducements to encourage them to train; and

Third. What should be the total overall military obligation for all persons entering upon active duty with the armed services?

I say, with every degree of modesty on behalf of the managers of the House, that I believe these points of difference have been resolved in a sensible and equitable manner.

Now, let me tell you of some of the minor points of difference which were resolved in the conference.

Both the House bill and the Senate amendment provided for a training program whereby young men could enlist in the Reserve components and enter upon active duty for training and thereafter serve 7½ years in the Reserve.

Such persons must enlist before they reach the age of 18½, but if they are attending high school their active duty for training will be deferred until they graduate or reach the age of 20 years, whichever first occurs. This maintains the Thomson amendment which was agreed to on the floor of the House when H. R. 7000 was up for consideration.

The House bill provided for 6 months of active duty for training under this program. The Senate bill provides for not less than 3 nor more than 6 months of training.

The House conferees agreed to the Senate amendment in this respect so that some latitude will remain with the Secretary of Defense in prescribing the period of time a person must spend on active duty for training.

Now, I want to remind you that this short active duty training program to be followed by 7½ years of Reserve service is purely voluntary. This retains the concept of the House bill and furthermore, I want to point out that in the Senate amendment there was no statutory limit on the number of persons who could be enlisted in this program annually, but in the House bill an annual quota of not to exceed 250,000 can be enlisted.

The House version was retained, and thus there is a limit on the number of persons who can enter the 6 months' training program.

The Members will recall that, during the debate on this bill, it was often repeated that there were no universal military training provisions in the bill.

The House can be assured that that is still true and, by establishing the quota whereby the 6-month trainees cannot exceed 250,000 persons annually, we have maintained the House position in this respect.

Under both bills, those persons who entered the short-term training program will be required to participate in the Ready Reserve for a period of 7½ years. This young man will be required to participate in 48 annual drills and not to exceed 17 days of active duty for training annually.

If he cannot make the 48 drill requirement, he may elect to take 30 days of annual active duty for training. If he refuses to participate in Reserve training, he may be ordered to active duty for training for 45 days without his consent, or he may have his draft deferment cancelled and his name will be handed to his local draft board, and therafter he may be inducted into the Armed Forces prior to other people who are liable for induction.

Both the House bill and the Senate amendment provided that persons possessing critical civilian skills and connected with critical defense-supporting industries could complete their military obligation by entering the six months' program, even after reaching the age of 18½ years. These persons would enter upon not less than 3 nor more than 6 months of active duty for training and would thereafter be required to spend 7½ years in the Reserve, just as any other short term trainee. However, these young men, who would in all likelihood be more essential in civilian industry in time of war or national emergency, would be screened into the Standby Reserve to complete his military obligation.

However, when the reason for their transfer to the Standby Reserve no longer existed they could again be placed in the Ready Reserve and be required to actively participate in training.

The House bill did not contain this provision, but the House conferees agreed to the Senate amendment in this respect, because it is intended to provide authority to reassign individuals who were engaged in critical defense supporting industries, but who ceased to do so while still under a Reserve obligation. Naturally, if a Reservist is no longer engaged in critical defense work he should no longer enjoy the protection of a vulnerability for a call to active duty in case of national emergency, and he should also be required to actively fulfill his obligation in the Ready Reserve.

Both the House bill and the Senate amendment contained provisions whereby the National Security Training Commission would advise the President and the Secretary of Defense and report annually to the Congress with respect to the welfare of persons performing initial period of active duty for training, but would have no authority with respect to the military training of such persons.

The Senate amendment contained an additional provision which was agreed to by the House conferees. It provided that, within 60 days after the date of enactment of the act, the National Security Training Commission would submit to the Secretary of Defense a program containing recommendations for the personal safety, health, welfare, and morals of the short term trainees while they were performing active duty for training, including regulations concerning the dispensing of alcoholic beverages on training establishments in conformity with the laws of the several States.

Both the House bill and the Senate amendment provided for direct enlistment in the Reserve components prior to reaching the age of 18½, after which a person so enlisting may be deferred from the draft so long as he satisfactorily participates in Reserve training in the Ready Reserve.

A person enlisting in this program will be deferred until he reaches the age of 28 when his military obligation will be completed. This authorization to enlist a young man in the Reserve components is similar to the authority now contained in existing law for young men who enlist in the National Guard prior to reaching the age of 18½ and enjoy deferment from the draft.

This authority is subject to a Presidential determination that the Ready Reserve strength of the Armed Forces is not being maintained at the level he deems necessary for the national security.

However, if any young man enlisting in this program voluntarily agrees to participate in active duty for training for a period of not less than 3 nor more than 6 months, he may reduce his military obligation to a total of 8 years.

Consequently, a young man entering this program at the age of 18½ years could, by participating in short-term active duty training incur an 8-year obligation, and thus be relieved of further military obligation upon reaching the age of 26½ years.

Both the House bill and the Senate amendment contained a provision fixing the ceiling on the size of the Ready Reserve at 2,900,000 persons. The conferees agreed that this figure, until July 1, 1957, should only represent persons who are participating in training in the Ready Reserve and others who do not train while having a Ready Reserve obligation will not be counted against the total.

There were no changes in substance between the House bill and the Senate amendment with respect to the discharge or relief from participation in training for ministerial students, and the authority of the President to order a limited number of Ready Reserves to active duty in time of national emergency was retained in the bill agreed upon by the conferees.

Likewise, no changes were made in the provisions of both the House bill and the Senate amendment with regard to the recall to active duty of persons in the Standby Reserve, whereby they will only be called to active duty after their availability has been determined by the Director of Selective Service.

Both the House bill and the Senate amendment contained a provision whereby graduates of the ROTC training programs would be guaranteed a commission. If there is no need for all of these graduates to serve on active duty, they will be given 6 months' active duty for training and thereafter will be required to participate for 7½ years in the Ready Reserve. These provisions were identical and are not changed by the conference report.

The provisions guaranteeing reemployment rights contained in both the House bill and the Senate amendment

are not changed by this conference report.

Both the House bill and the Senate amendment contain a special enlistment program whereby persons could enlist in the Ready Reserve of the Army, Navy, Marine Corps, Air Force, or Coast Guard and thereafter agree to serve 2 years on active duty. Inasmuch as the military obligation for persons entering the Armed Forces, following the enactment of the bill, was reduced to 6 years, such persons who enlist in the Reserve will incur a 6-year total obligation.

These enlistees will be required to serve in the Ready Reserve for a period which, when added to their active service totals 5 years. The remaining year will be spent in the Standby Reserve.

Both the House bill and the Senate amendment contained provisions which provide for a system of continuous screening of persons in the Ready Reserve to insure that the members and units of the Ready Reserve will contain a proper balance of military skills and so that people possessing critical civilian skills will not be retained in the Ready Reserve in numbers beyond its requirements.

Also, persons who have participated in combat or who, by participation, would incur extreme personal hardships may be transferred to the Standby Reserve.

The other changes between the House bill and the Senate amendment are technical or clarifying in nature and do not affect the substance of the conference report.

Mr. Speaker, I do not need to emphasize the necessity for a strong and available Reserve.

I believe that every Member of the House will agree with that conclusion.

In the opinion of the conferees, the bill agreed upon in conference will guarantee that this country will have the type of Ready Reserve that the national security requires.

Mr. Speaker, I believe in a strong national defense as a best means of maintaining peace and security. As George Washington urged, I believe in a reasonably small regular defense establishment and a strong, well-organized, well-equipped, and well-trained Reserve. In every age of the history of this Republic, we have needlessly thrown countless thousands of lives of brave Americans into the maw of the god of war. The hillsides of this country and of other countries are covered with the white crosses of men, gallant and brave, who had not a chance because they were not trained and not prepared for the emergencies. In my judgment, World War I could have been averted with a well-trained and well-prepared civilian reserve. Perhaps other wars might have been averted and many lost battles might have been won had we been ready with our civilian reserve for the critical occasion. The history of this Nation, as brilliant as it presently is, might have been even brighter and its destiny even more sharply resplendent had we followed the counsels of our forefathers who urged a well-trained Reserve.

After much labor and much effort, we present to you a program which will work. It is not a perfect program; but it will strengthen our Reserve Establishment, it will give this Nation the combat Reserve, ready for emergencies in this atomic age, upon which it may safely rely. With full knowledge of our imperfections, but with calm reliance upon the sincerity of our labors and our devotions, I submit this conference report to you and ask for its adoption.

Mr. Speaker, before I close my remarks, I would like to pay tribute to the members of my subcommittee who worked tirelessly and loyally on this bill. It has been a source of constant inspiration to me at the beginning of this session and continuing all through the session they have shown a devotion to duty far above what their obligation as a Member of Congress requires of them. With suggestions, changes, and improvements, they have gone a long way toward vitalizing this measure and making it a workable bill. So that everyone may know who contributed hundreds of hours of work I am setting forth their names: Mr. PHILBIN, Mr. WINSTEAD, Mr. PRICE, Mr. FISHER, Mr. WICKERSHAM, Mr. HOLTZMAN, Mr. JOHNSON of California, Mr. NORBLAD, Mr. VAN ZANDT, Mr. DEVEREUX, Mr. BRAY, and Mr. OSMERS.

Mr. BONNER. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield to the distinguished gentleman for a question.

Mr. BONNER. How many additional draftees will be required to carry on this program, to get these men into the Reserve?

Mr. BROOKS of Louisiana. It depends on the number released under the early release program. But we have provided for two programs, so that a man coming out can shorten his Ready Reserve obligation by being active in the Ready Reserve, and all we lose is that he will get out of the Ready Reserve earlier.

Mr. BONNER. Actually you are drafting men for this Reserve?

Mr. BROOKS of Louisiana. Under one of the programs there may be some additional men drafted, but they are being drafted for the active service.

Mr. BONNER. Under the program the gentleman has just been explaining, you will actually draft men?

Mr. BROOKS of Louisiana. Under the first paragraph there may be some additional men drafted for active service.

Mr. BROWNSON. Mr. Speaker, will the gentleman yield for a question?

Mr. BROOKS of Louisiana. I yield to the gentleman for a question.

Mr. BROWNSON. Three days after the House passed its previous version, Admiral Radford was quoted in the newspapers as saying that the plan was unworkable. Does the gentleman have the retraction of the officials who will administer this program now?

Mr. BROOKS of Louisiana. I questioned that statement, and I was told by an authority that the statement was not handled in the press as the Admiral intended it should be handled, that he was not fairly quoted.

Mr. BROWNSON. All I know is what I read in the papers. But I wondered if the gentleman knows, on the basis of this conference report, how Admiral Radford, and the other people who will administer the plan, feel about it.

Mr. BROOKS of Louisiana. I think they are for it. They do not think it is a perfect program; neither do I. But I think it is a good program, certainly a step forward.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield to the gentleman for a question.

Mr. GROSS. Can the gentleman give us any idea of how many draftees come out as noncommissioned officers?

Mr. BROOKS of Louisiana. A great many do, undoubtedly.

Mr. GROSS. A great many draftees?

Mr. BROOKS of Louisiana. I have some relatives who were draftees who came out as noncommissioned officers. I cannot give the gentleman the figures on it, but I can assure him that some of them do. Of course, the largest number of persons being released who come out as noncommissioned officers are enlistees.

Mr. BRAY. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield.

Mr. BRAY. I had the pleasure of serving on the subcommittee with the gentleman and I will say I know of no one who worked harder or more sincerely on the bill. I also want to say that both of us are interested in a strong Reserve although we have some slight differences on the matter of how to achieve it. With reference to the conference report now under consideration does the gentleman believe the bill as recommended by the conferees will provide a strong Ready Reserve?

Mr. BROOKS of Louisiana. It will give a strong, well-organized, well-trained Ready Reserve, but for the 2 years immediately ahead we have a critical situation.

If the two plans we proposed in conference and which were adopted and which we submit to you today work, we can get a very satisfactory Reserve.

Mr. BRAY. The gentleman has discussed this matter, of course, with the leaders of the Defense Department and the various services?

Mr. BROOKS of Louisiana. Yes; we discussed it with everybody who wanted to discuss it.

Mr. BRAY. That is what I mean.

Mr. BROOKS of Louisiana. Never at any time did we refuse to discuss it with anybody.

Mr. BRAY. I know you have in the committee, but I mean as to the bill, does the Defense Department believe they can make a good, effective Reserve with this bill?

Mr. BROOKS of Louisiana. I think so.

Mr. BRAY. And you believe that view is shared by the Army and the Defense Department?

Mr. BROOKS of Louisiana. That is right. Those who will participate in the program sat down with the subcommittee and we discussed the matter; we feel and give it as our opinion that a strong, well-trained Reserve will result.

Mr. BRAY. The reason I am bringing this out is that the gentleman will recall that in 1952 the services told us they could make a strong Reserve on the bill

we gave them at that time. Since then I believe it has been mismanaged, somebody has been derelict in their duty. I believe we all agree with that.

Mr. BROOKS of Louisiana. We will have to agree with that. We have worked on many Reserve bills at different times; we have passed this bill, that bill, and the other bill, but all our efforts at building up a satisfactory Reserve program have been disappointing. But somehow I believe this Reserve bill will do the trick and that we will now under this bill be able to build up a very satisfactory Reserve program.

Mr. BRAY. Then the gentleman believes that if we do not get a good Reserve it will not be the fault of the bill but rather the fault of the Defense Department?

Mr. BROOKS of Louisiana. I would think so.

Mr. OLIVER P. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield.

Mr. BOLTON. Would the gentleman care to discuss what change the creation of the Ready Reserve would make in the mission of the National Guard?

Mr. BROOKS of Louisiana. The National Guard has its own program which permits it to enlist men for a program of training in the Guard. The Guard had the right, of course, under State law in every State to discipline its personnel.

This bill would permit the guard also if a member of the National Guard so wishes, to train for 3 to 6 months, because it is a variable period with the reserves, it is from 3 to 6 months; with the guard it is not in excess of 3 months. This will permit guardsmen who want to volunteer and take the 6 months' training period to do so, and thereby cut short their obligation as reservists.

Mr. OLIVER P. BOLTON. My point is whether the creation of the Ready Reserves would remove the National Guard from the mission first of carrying out national defense?

Mr. BROOKS of Louisiana. The National Guard is one of our Ready Reserve components and nothing in this measure changes that.

Mr. VINSON. Mr. Speaker, I yield 10 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, no matter how watered down, anemic, or innocuous the legislation contained in this conference report, it is still discriminatory, and it opens the door to the goal of its supporters which is to fasten upon this Republic UMT—full and complete conscription of American youth.

And for what purpose? To implement a foreign policy which has trapped this Nation in two world wars, plus a sanguinary, bloody struggle in Korea.

Cast aside in Washington today are the stern admonitions of the founders of this Republic who denounced entangling alliances and for 100 years thereafter that wise policy kept America out of foreign intrigues and major wars.

Today the American people are shackled with alliances in every corner of the world—alliances which history has demonstrated will last only as long as they are profitable to the foreign countries involved.

How much longer, I ask, is it proposed to draw upon the manpower of this country; to drain our natural resources; to bankrupt this Nation in support of alliances that promote the self-serving interests of foreign nations? There is no better time than here this afternoon for the House of Representatives to say that as of this date we propose to lay no additional levy upon the youth of this country in support of alliances with foreign governments which have demonstrated neither the will nor the capacity to fulfill the role of an ally. The self-interest of this country is as paramount today as it was under Washington and Jefferson, and it is time that the leaders of this Government recognize that fact.

On the record, the pending legislation is here by virtue of some strange procedure. It is not strange when it is clearly understood that the ultimate objective is to hang upon the youth of America the yoke of universal conscription. The sponsors would accept, if necessary, but little more than the enacting clause to open the back door to their objective.

The bill first came before the House on May 17. It had to be approved without a moment's loss of time, said the sponsors, in order to provide immediately a huge, Ready Reserve. If one had listened to the sponsors with open ears and a closed mind he would have heard even then Russian assault boats landing along the eastern seaboard. Then there was the plaintive, emotional appeal that the legislation was necessary to strengthen the President's hand at the summit. This despite the fact that it is not of record that any other parliament or legislative body broke out in a sweat to increase military service in their countries in order to strengthen the hands of their representatives at the summit.

As a matter of cold, hard fact there is scarcely a government in the so-called free world that levies upon its manpower for military purposes as does the United States, without enactment of this legislation. Through the years the people of many foreign nations have had their experience with conscript armies and long, compulsory service in the Reserves. They know the corrosive and then destructive effects of that system. It is a product which foreigners are delighted to ship to this country for it means we will continue to fight their battles. There was a time when the British, among others, hired mercenaries to do their fighting. In this wonderful new era of the United Nations, and alliance-making all over the globe by which we are committed to fight at the drop of a hat, it is no longer necesary for the British to use our money to hire mercenaries. In this connection it might well be pointed out that the graves in Arlington Cemetery have increased tremendously and tragically in recent years.

Yes, Mr. Speaker, on May 17 this measure was for all practical purposes laid out in the legislative morgue. Scarcely a spark of life could be detected. The gentleman from Missouri [Mr. SHORT] had ripped it apart as a product of, and I quote his words spoken in the well of the House: "A persistent, pugnacious, perennial, relentless, costly campaign to cram down the throats of the American people universal military training or peacetime conscription."

Castigating the provision for 6 months' training for 250,000 volunteers, the gentleman from Missouri said:

> Who is going to choose these 250,000 young men? Oh, what a chance to play favoritism and politics. This bill is full of heartaches and heartbreaks.

Again, and with obvious reference to the defeat in the Democrat-controlled 82d Congress of a similar bill—a defeat in which he played the leading part, the gentleman from Missouri said on May 17:

> A thing that I have considered bad under previous administrations, whether Roosevelt or Truman, I consider bad under Eisenhower, Smith, Jones, or anyone else.

In the face of these and other powerful arguments on the part of the gentleman from Missouri, the gentleman from Georgia [Mr. VINSON], facing certain defeat, ended further proceedings on May 17 by moving that the Committee rise.

Then in the next 2 weeks came a series of blood transfusions from the White House and Pentagon and on July 1 this creature of conscription, clad in slightly different raiment, again roamed the House floor.

This time the provision for compulsory assignment of reservists to the National Guard had been eliminated.

In other respects, the legislation was virtually unchanged as attested by my question on that day.

> I would like to know what compulsory features have been eliminated as between the two bills.

To which Mr. VINSON responded:

> Mr. Chairman, if the gentleman will yield, there is eliminated from this bill the compulsory assignment to the National Guard. That is the difference.
>
> Mr. SHORT. That is right.
>
> Mr. GROSS. That is the only one.

Thus, the only substantial difference as between May 17 and July 1, was the elimination of reference to the National Guard. Still contained in the bill on July 1 and here today are the discriminatory features of the 6 months' training for 250,000 youths to the exclusion of others equally qualified. Still contained in the measure presently before us are the ramifications of 7½ years of service in the Reserves which, if effectively enforced will directly alter the lives of hundreds of thousands, perhaps millions of young Americans and may well set a new and sinister pattern of life in America. Left to the tender mercies of the Pentagon is the administration of this law. The National Security Training Commission, which has always advocated universal conscription of military manpower, will also have certain functions. As far as I know this National Commission has never had the decency, along with most others who support universal conscription of our youth, to advocate at the same time, and for the same reason, the conscription of all other resources of the Nation.

Yes, Mr. Speaker, on May 17 and again on July 1, it was imperative the building

of a huge reserve force be started without a moment's loss of time. The bill as it left the House on July 1 provided the nucleus for this force by throwing into the Ready Reserves all those who had been drafted since July 1953 and those presently serving. The other body wisely and properly eliminated that provision.

But with this provision eliminated there will be no real nucleus for a compulsory reserve for at least another 2 years. Why did the House conferees back down on this provision of the bill as it passed the House on July 1? Because in the light of past administration it would have been a thoroughly immoral if not legal breach of contract with that category of servicemen.

There is no valid reason for this legislation as long as the Selective Service Act is in effect. In one respect it is designed to mitigate another big blunder on the part of the Pentagon, which has sanctioned the commissioning of some 60,000 new officers each year through various training programs. The Military Establishment is loaded with officers. They are falling over each other. Every chief must have some Indians and this bill, opening the door to universal conscription of manpower, is the answer.

The incongruity of the broad situation in which we find ourselves is unbelievable. On one hand we are told that peace and prosperity abound. For the first time in our history we even have a secretary for peace, Harold Stassen. Let us hope that he will be as agile in behalf of peace as he was in obligating millions of dollars of foreign handout money in the closing days and hours of the fiscal year.

On the other hand, despite the smiles of the Russians and talk of peace we are here called on to reach out by new and untried means and fasten long periods of military service upon the youth of today and the tomorrows to come. And amid this wonderful prosperity, the Nation plunges deeper into debt, throwing yet another burden, which we have shirked, upon the shoulders of our young people.

This is a beautiful world of make-believe in which we live and each passing day brings me closer to the conviction that Washington is the capital of it.

It is scarcely necessary for me to say so, but let the record show that I am unqualifiedly opposed to this bill and the conference report. It ought to be recommitted.

The House refused to be counted on this issue by rollcall vote on July 1, and I am not particularly concerned as to whether there is a record vote now. The people of this country were entitled to know where their representatives stood on July 1, and they should understand that if there is a record vote today, it will be on a watered-down version that is neither fish nor fowl.

Mr. BELCHER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BELCHER. Mr. Speaker, it is my sad duty to announce to the House the passing of one of my boyhood friends and one of the greatest Navy men of this generation, Rear Adm. Apollo Soucek. He was found dead Saturday morning in his apartment in the Woodner Hotel, 3636 16th Street NW.

Admiral Soucek and I grew up together in Grant County, Okla. We both graduated from Medford High School. His father and my father were close friends for over half a century. My first political experience was helping my father campaign for county assessor with Admiral Soucek's father helping us.

His death marked the passing of one of Oklahoma's outstanding citizens, and his success perhaps could be described as a modified Horatio Alger story. His father came to the United States from Bohemia in 1875 and became a blacksmith in Medford, Okla.

Admiral Soucek, born on a farm in Lamont, Okla., as a veteran of World War I, World War II, and the Korean conflict, earned, among other merits, the Distinguished Flying Cross and the Silver Star. He was graduated from the Naval Academy in 1921, and in the following years became a high-altitude record holder as a result of his aviation achievements.

During the early 1940's, he served on the famed carrier *Hornet* and as air officer of that carrier, gave the go-ahead signal to Jimmy Doolittle on his spectacular bombing run over Tokyo in 1942. Later he served as the first commander of the big carrier *Roosevelt*.

After service in Korea, he was appointed Chief of the Bureau of Aeronautics in June 1953, and resigned this post only last month.

During service as naval attaché in London in 1951, his wife, the former Eleanor O'Connor, of Wellsville, N. Y., passed away. Admiral Soucek is survived by three brothers: Zeus, also a Navy man now living in Minneapolis; Romus, of Los Angeles; and Ormis, of Enid, Okla.

The life of this great Oklahoman and American indeed portrays bravery, courage, and loyalty to his country whom he served so well. His death writes finis in the last page of his book of life, its pages filled with everything that was good and just for mankind.

We are consoled by the fact that our loss is another's gain.

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, only yesterday President Eisenhower returned from the summit conference in Geneva to assure the American people that he had found "evidence of a new friendliness in the world." It is not my purpose to summarize or evaluate the results and achievements at Geneva. I merely find it somewhat ironic that on the same day when we get such an encouraging and hopeful assurance from our President, we here in the Congress of the United States are about to complete action on the military Reserve bill, H. R. 7000, which introduces a certain degree of military compulsion and a mild form of universal military training in this country.

In the years to come, every American family with a growing boy in its midst will be affected by our action today. Under this bill, if enacted, the Congress will introduce a new and radical departure from our traditional way of dealing with military service. For the first time in our history, as far as I can ascertain, the principle of using compulsion in order to maintain our military Reserves is being introduced in peacetime. Under this new law, young men who will be drafted for military service in the future will be forced to take active Reserve training on completion of their active duty, and the entire military obligation will extend over a period of 8 years.

This new bill establishes a 6 months' training program along UMT lines, which is then to be followed by 7½ years in the Ready Reserve. By adding compulsion and omitting quotas this entire military program can be converted into a full-fledged universal military program. In addition, this bill aims to quadruple the size of the paid Reserves until we attain a total of 2,900,000 men in the Reserves by 1960. The total cost for maintaining this entire program when in full operation is estimated at $2 to $3 billion annually.

Mr. Speaker, for generations this country has followed the principle and tradition that its young men are drafted for active military service in such numbers and length of time as was considered necessary to assure the security of our Nation, whether in wartime or peacetime. But never in our history have we drafted men to give up part of their civilian life for military service over a period of years after they had completed their active service. This is a drastic departure from our customary procedure in the past. It is more in the nature of the European military tradition which has never appealed to our people.

Compulsory military service has always been regarded by the American people as an alien concept, because by its very nature and methods it is alien to our principles of freedom. Americans have never adopted the idea of compulsory military service as a pattern of fulfilling the duty to serve in the defense of our country. Whenever an emergency arose, whenever our country was plunged into the abyss of war, the manpower of this Nation rose to the occasion with fervor and patriotism. We did not depend upon paid mercenaries. Had we done so in the past, only God knows what our fate would have been by now.

I say to you, my colleagues, that there is no need to change that policy. Before contemplating any such drastic changes which may lead us down the road of militarism, we must seek ways to build up our strength and our manpower reserves on a voluntary basis rather than through compulsion. Not only do I question whether we must build up our Reserves through compulsion, but I also question whether this bill actually cre-

ates a Ready Reserve. In truth I think it lulls the American people into a false sense of security.

It is indeed paradoxical to find that our Army is being cut down by 25 percent below its strength in January of this year, but here we are taking steps to build up our Reserves to nearly three million men. How can we explain that to the peoples of the world? How can we, in the light of such developments, convince them that we are earnest in our quest for world peace?

I well understand the need for maintaining and strengthening the security of our country. For this very reason I have supported legislation appropriating the necessary funds for our regular military needs and for our standing forces. I am skeptical, however, about building up huge Reserves over and above our regular military needs for the reasons already indicated. I believe it is a step in the direction of militarism; I believe it is a drastic departure from our traditional military policy; I believe that when a young man has completed his 2 years of military service he should have the opportunity to return to civilian life and complete freedom to pursue his education, career, trade or profession as a useful citizen. Finally, I believe that at this time we can best serve the interests of our Nation and of all nations by refraining from the enactment of legislation which would only serve to increase international tension.

The world is hungry for peace and disarmament. This bill can once again be the cause for a drift back toward a universal arms race instead of universal peace and disarmament. For this reason I urge that it be rejected.

Mr. VINSON. Mr. Speaker, I yield 10 minutes to the distinguished gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Speaker, the burning desire of all peoples of the world at this moment is for a just and lasting peace. I think that applies not only to the free peoples of the world, but to the slaves in the satellite countries and in Soviet Russia, behind the Iron Curtain.

I make a sharp distinction between the masses of the people in the other half of the world and in their puppet governments, and the men in the Kremlin. The Russian, Baltic, and Slavic peoples have many admirable qualities and we should help them to liberate themselves. They want and love the freedom we have.

We all know that for the past several years this Nation has been spending from $40 to $50 billion annually on its national defense. And rich as we are and powerful as we are we cannot forever carry that burden We want to build and not to destroy. Under existing law we now have a ceiling of 1,500,000 on our Reserve forces. Actually there are between 750,000 to 800,000 who participate in actual training in the Ready Reserves, at a cost of approximately $700 million a year. We have not been getting our money's worth.

We know that this Reserve program has not worked well since the close of World War II. I shall not take the time, because I do not have it, to discuss the reasons for its failure. I am suggesting that men in high authority in our Military Establishment will do a better job in the future than they have in the past. Woe be unto them if they do not.

It is now proposed, however, by this legislation to increase our Reserve forces from a million and a half to 2,900,000 men. I think one of the reasons we failed in the past is that the penalties were too severe; 5 years' imprisonment and a $10,000 fine for any man who failed to carry out his duty of Reserve training. There has been no serious and determined attempt, of course, to make the present system work. We, the Congress, have voted them the authority and the money but they have failed to produce. So something has got to be done about it. Heaven knows, we cannot forever go on spending the huge, backbreaking sums of money that we are spending and endure as a free country. We also know that we have got to remain strong on land and sea and in the air as long as we do not have free, open inspection of different military establishments of the different nations of the world. We want to trim the fat; we must not cut into the muscle of our national defense.

So what is our problem? It is to keep America militarily strong, and at the same time attempt to reduce this onerous burden of taxation that will spend us into bankruptcy and could bring about our actual defeat just as much as a defeat on the field of battle. The battlefront is never stronger than the homefront. We cannot have military might without economic strength.

If we can build up a virile, strong Organized Reserve, we can at the same time lower the number of men in the regular Military Establishment and relieve the overburdened American taxpayer of this awful burden we are now carrying. As one goes up, the other goes down.

That is what this bill does. The gentleman from Iowa [Mr. GROSS] quoted me—and I am glad he did—from a speech I made 3 years ago on an entirely different bill from the present conference report. My position is still the same. However, I can change to meet changing conditions. He quoted me also from another speech I made recently on another bill into which the Guard was tied, and where some features existed that do not exist in this conference report. I wonder if Members opposing this conference report have read it—let alone studied it? I served notice when we passed this last bill in the House that if it were loaded down in conference, and filled up with hogwash, or an attempt was made to open the door to universal military training, I would be the first vigorously to oppose the legislation, not only in conference but on the floor of this House. I have kept the faith. It was not easy but I did not yield; members of the conference—Senators RUSSELL, BYRD, STENNIS, SALTONSTALL, BRIDGES; Representatives VINSON, BROOKS, KILDAY, ARENDS, and myself—will tell you so.

I am glad to report to you I have never attended a conference where we had a freer or more thorough or complete discussion of legislation, and never did I see the Senate conferees in a more conciliatory and reasonable attitude.

I am glad to report to the House that we succeeded in maintaining all of the essential House provisions. We even got the Senate to yield on matters, and they had a few aspects of the measure which the House adopted which I think make it a better bill than either the Senate or the House passed.

One of the things we did was to maintain the ceiling of 250,000. You cannot take more than that into the 6 months' training. The Senate had no ceiling. It could have opened it up to universal military training. However, they receded and accepted that figure.

We also passed in the House a provision to reduce the obligated Reserve training from 8 years to 6 years. The Senate wanted to restore the 8-year obligated training including the 6 months' training, of course, of the men entering this new program. I served notice at once it was useless for us to waste time and breath because I would never sign a conference report and I would even fight it unless we retained the 6-year provision. The Senate graciously agreed. Selah.

Those are two of the things we did, but the Senate even went further than that. We wrote a provision into this conference report where a man now on active duty, say he has enlisted for 2 years, if he has served 12 months he can apply to be transferred to the Ready Reserve, and after 3 years in the Ready Reserve or only 4 years in all he can completely be discharged from a further obligation in the Ready Reserve. That applies up until July 1, 1957, I think. Not more than 150,000 can be released annually.

In addition, there is another inducement we included, a second provision to induce men to participate voluntarily in the Reserve training. What is that? Up until July 1, 1957, the Secretaries of the different military services, with the approval of the Secretary of Defense, may accept enlistments in the Ready Reserve for a period of 1 year between now and July 1, 1957, from individuals who are released from active duty, and after that date they can apply for 1 year's more training, and in 3 years' time they can discharge all their obligated military service. How much better and easier is this provision for the youth of our country.

There is by no stretch of the imagination a side-door, front-door, back-door, top-door, or bottom-door way to call this a universal military training act. There is no compulsion; it is wholly voluntary. I think those of you who have served with me a long time here know that if there is one person who could smell a rat and detect the universal military training even before he saw it, it would be the gentleman from Missouri, DEWEY SHORT. I want to assure my friends who have stood so loyally by me in the past in opposing universal military training, as I oppose it now, and will continue to do so in the future, that this bill really lessens the burden and makes it easier for men to discharge their military obligation to this Government than under the present setup or any other

measure that has been presented to us in the past 25 years, if we are not going to let this cloud of uncertainty hang forever over the heads of the youth of this Nation and the draft law continues for 4 years.

One reason I am for this bill, and hope it passes, is that if it is wisely administered by the Department of Defense—and we have thrown the baby into their lap, and said, "Now, this is yours; you take it and take care of it"—if it is wisely administered there they can build up an adequate Reserve that will enable us to reduce the number of men in the standing forces, and we can let the draft expire on July 1, 1959, and not have to extend it further at that time. And we will save the taxpayers billions of dollars.

Mr. THOMSON of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield.

Mr. THOMSON of Wyoming. I would like to commend the gentleman from Missouri and the other members of the committee for the very fine job, I think, they have done on this bill. I would like to clarify one thing, if I may. According to page 4 of the report, the language of the bill recites with regard to the 6 months' enlistment that a man may be accepted for enlistment in units of such Ready Reserve pursuant to provisions of this section under regulations prescribed by the Secretary of Defense. Does that mean there would have to be organized units of the Ready Reserve available to that man for him to enlist in the program? I ask the question because many of these young men may come from small towns and rural areas that cannot support an organized unit of the Ready Reserve.

Mr. SHORT. I am very happy the gentleman from Wyoming, who contributed to the passage of the former bill, asked that question. In conference we deliberately eliminated the word "organized" because we realize that many of these boys live in rural areas far from training centers or armories, and they would not be able to meet that requirement, so we took that word "organized" out in the conference.

Mr. THOMSON of Wyoming. I thank the gentleman.

Mr. SHORT. Let me say further to the gentleman who offered the amendment to help high-school students that in the conference report we provide that persons enlisting in the 6 months' program prior to reaching the age of 18½ years or more, pursuing a course of instruction in a high school, shall be deferred until such person ceases to pursue such course satisfactorily, graduates from such course, or attains the age of 20 years, whichever first occurs.

Mr. THOMSON of Wyoming. And that deferment is also mandatory; is it not?

Mr. SHORT. That is quite true. Bear in mind that we maintain a ceiling of 250,000 who can enter under this program. We maintained the House provision of 6 years instead of 8 years. We provide that a boy going to high school, getting along and successfully passing his course until he graduates, until he reaches the age of 20, not 19, as the amendment offered by the gentleman from Wyoming [Mr. THOMSON] provided in the other bill—we provide that that boy is deferred.

Another important thing is that in the House bill, which we passed, we eliminated all Korean veterans prior to July 1953 from further obligated Reserve service. The Senate provision was more liberal and more generous than the House, and they provided that no man who served before Korea or who is now serving in the armed services can be charged with further obligated Reserve service. So that the only men who will have to discharge their obligated Reserve service for 6 years or 8 years will be those who come into this program after the effective date of this act, which is when the President signs it.

Mr. Speaker, certainly this is not a perfect measure, but it is by far the best that has been presented on the Reserve since I have been a Member of this House. The question is a very complex, complicated, and difficult one, and I believe we have a good bill, if the Pentagon can and will make it work.

In closing, I do want to express my appreciation to the gentleman from Louisiana [Mr. BROOKS] as chairman of the subcommittee, who has worked so long, patiently, and effectively to bring this bill before us. It is a great tribute, not only to Mr. BROOKS, but to the Members of his subcommittee, Mr. PHILBIN, Mr. WINSTEAD, Mr. WICKERSHAM, Mr. JOHNSON of California, Mr. VAN ZANDT, Mr. DEVEREUX, Mr. BRAY, and the other members. Those who have had active service, not only in time of war as members of the active forces, but as Reserve officers over a long period of years, no men have been more interested or have worked harder to bring about this legislation than the gentleman from Pennsylvania, Mr. VAN ZANDT; the gentleman from Maryland, General DEVEREUX; and the gentleman from Indiana, Mr. BRAY. These men, along with Mr. FISHER, of Texas, and all members of the subcommittee who have worked so diligently and faithfully for the defense of our country, deserve the thanks of all members of our Committee on Armed Services, Members of the Congress, and the American people. This bill is not UMT, but a step toward ending the draft law in 1959, when it expires, and to build up a volunteer Reserve system whereby America can remain a strong Nation of freemen. I believe in freedom, because in freedom is our strength.

I hope that you will vote overwhelmingly in favor of the conference report.

Mr. VINSON. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. KILDAY].

Mr. KILDAY. Mr. Speaker, when legislation reaches the stage that conferees are appointed, we have arrived at that stage where there must be a compromise between the two Houses of Congress. I believe it to be true ordinarily that when the House conferees come back with a conference report, there is a feeling that perhaps the legislation has lost some of the vital provisions which were contained in the bill as it was passed by the House. In this instance, the reverse is true. It is my considered opinion that we are bringing back to you now a better bill than was passed by the House, and a better bill than was passed by the other body. I believe it to be better than the bill which was requested by the Department of Defense at the time that the matter was originally considered. It is hoped that this will begin the creation of an active, trained and training Reserve. Under the provisions of the Senate bill, there would have been a gap of 25 months—a hiatus of 25 months—before a man would have been channeled into the training in the Reserve.

Under the House bill we would have gone back to the cessation of hostilities in Korea and required that men who had entered the service subsequent to that date, including those already in the service and those few who might have been relieved from service, to train in the Reserves.

Under this bill it is provided that persons who volunteer for the Reserve training may receive an early release from active duty or those who have been released may receive an early release from their Ready Reserve obligation by volunteering for this training. I believe that by this method we have avoided the two principal objections that could have been raised to either of the versions passed by the two separate bodies. We eliminate the drag of the 25 months in the one bill and we eliminate the strong opposition from those who feel that this is a changing of the rules after the game has begun.

I believe that we have here a reasonable bill, one that will start us on the road to the preparation of a Reserve in existence, for we all agree that something must be done to reduce the tremendous budget that our military now requires.

It is true that our military policy from the days of George Washington has been based upon a strong, highly efficient regular establishment capable of very rapid expansion in time of war or national emergency. We have in the past maintained at least some semblance of a small and always highly efficient regular service, but we have not lived up to the obligation upon us of providing an adequate Reserve. This is a beginning, and I believe that the fears of the people about any such program will dissolve as it gets underway. I think that once we get underway the young men are going to find certain advantages from this weekly training, or 48 drills a year, from new contacts, business and social contacts, that will be enjoyed. We have always had in the history of the United States men who are interested in being civilian soldiers, and I think this will prove attractive to them.

I believe that all the basic or fundamental objections that could have been made to this program have been provided for in this conference report and I hope it will be adopted promptly and by an overwhelming vote.

Mr. VINSON. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. WIER].

Mr. WIER. Mr. Speaker, I want to thank the gentleman from Georgia for giving me these 2 minutes. I guess it is 2 minutes that he found left over, for

I had an awful time trying to get half a minute.

All of you have heard me express my opposition to the pending legislation and related legislation. I have listened with interest to the gentleman from Louisiana and our distinguished ranking minority member of the committee on the Republican side, a man in whom I had great faith, yes, great faith, but who has finally mildly succumbed. I listened intently to his plea for this legislation today. But let me say to the gentleman from Missouri that not all of us are so naive or so gullible as to believe that this legislation before us is not an opening wedge to universal military training. Your committee from time to time will bring in amendments seeking that end whenever the time is opportune.

I for one will not sit in this or any other legislative body and allow the youth of this Nation to be put under the control of the Pentagon, and that is the fear that I have here with this bill.

Your salesmanship was good on this bill, but I am sure that this bill will be followed by amendments from your committee from time to time until we finally get the result you want, and this Nation will have universal military training. I hope a good substantial number of the Members of this House will not do as they did on Friday, July 1, duck the issue, but that they will meet the issue head on now, and not later. I am bitterly opposed to this bill and UMT in any form.

Mr. POWELL. Mr. Speaker, I include the following letter and article:

FRIENDS COMMITTEE ON
NATIONAL LEGISLATION,
Washington, D. C., July 22, 1955.

DEAR CONGRESSMAN: The report of the conferees on the Reserve bill, H. R. 7000, will probably come before the House on Monday, July 25.

While the President is returning from Geneva after telling the world of our sincere desire for peace, you will be asked to vote for a bill which, although it removes some of the harsher provisions of the original bills, still—

1. Introduces the radical new principle of using compulsion to maintain the Reserves;

2. Sets up a UMT-type 6-month training program followed by 7½ years in the Ready Reserve which can be converted into full UMT merely by adding compulsion and removing the quotas;

3. Aims to quadruple the size of the paid Reserves up to a ceiling of 2,900,000 men by 1960; and

4. Will probably cost between $2 and $3 billion per year when in full operation, plus another billion for armories; this at a time when nothing has been authorized for badly needed school construction.

We urge you to consider the implications of this bill which will increase the military penetration in communities and colleges throughout the country at the very time we are trying to move away from militarism and toward universal disarmament.

We also urge you to read the statements of Senators NEUBERGER and MCNAMARA in the CONGRESSIONAL RECORD of July 21, at pages 11129 to 11135, in which they tell why they voted wrong in voting for H. R. 7000 and why they will vote against the conference report. Senators NEUBERGER, MCNAMARA, LANGER, MANSFIELD, MORSE, and HUMPHREY yesterday introduced S. 2602, to replace the compulsory features of H. R. 7000 with a voluntary system in which the inducement for joining the Ready Reserve is the receipt of the educational benefits of the GI bill of rights.

On this important issue we feel the people of the country are entitled to know where their representatives stand, and we hope you will ask for a record vote.

Sincerely yours,

E. RAYMOND WILSON.

P. S.—I regret the use of this impersonal form of communication, but the shortness of time before you act on this measure necessitates it.

[From the Columbus (Ohio) Dispatch of July 24, 1955]

BROMFIELD BELIEVES MILITARY RESERVES MEASURE IS SUPPRESSION OF FREEDOMS

(By Louis Bromfield)

Under the phony name of a Reserve program there is being foisted upon the American people, and upon the young people in particular, a program of universal military training more vicious than any that exists in any West European nation. Only the Fascist and Communist dictatorships have surpassed it in severity and oppression. The measure is suppression of man's natural freedoms in a truly democratic nation.

Its manifest purpose is to compel every male American citizen of 18½ years not only to serve at least 2 years in the Army, willingly or unwillingly, of necessity or without necessity, but to involve him for periods up to 8 years in drills, restrictions of movement and freedom, and to a large extent the sacrifice of his civil rights under the Constitution and Bill of Rights.

Behind this bill lie many sinister influences, emanating largely from the Pentagon and the militarists who have never relaxed their efforts to impose the indignity of universal military service upon a supposedly free people.

Having failed to achieve the purpose openly and through the use frequently of false information, propaganda and a terror campaign, the same forces are now working underground as quietly as possible to put over a plan worthy of only the most militaristic of nations or dictatorships.

DANGEROUS MEASURE

This, of course, is strong language, but it is justified. The danger itself cannot be exaggerated, principally because once such abuses are established they are very difficult to be rid of, even when their sinister folly and oppression become evident to all the people.

Presently it is called "a Reserve program." Actually it is universal compulsory military service of the most oppressive nature. It would impose not only fines but imprisonment upon any citizen who failed to carry out weekly drills over a period of years.

First of all one is forced to question the necessity for any such bill in these times. Such a program—and even the extension of the draft for a period of 4 years—should be justified and abundantly. Neither has been justified in an age when either war might be over within 24 hours or no nation would dare even to risk a war.

The needs of the Navy, the Air Force, and the Marines are all met by recruiting. It is only the Army, wherein cannon fodder is most needed, which campaigns steadily and openly, using any means whatever for bigger armies and bigger drafts.

The only justifiable reasons could be the extension of an already monstrous and expensive program of conscripting young Americans to protect the Germans and the Japanese, of establishing bases in many parts of the world and doing police service to protect peoples who frequently do not want to be protected.

ILLUSIONS OF RED NATIONS

The illusion of the power of Asiatic nations and of Soviet Russia itself has been built up quite as much in this country by the militarists as by the men in the Kremlin themselves.

As some of us have been trying to demonstrate for a long time past, neither India nor China is even a fourth-rate power and each time we treat them as great powers, we delude ourselves and contribute to their bargaining strength.

The weaknesses of Soviet Russia herself in almost every field—the disorganization, the strains, the lack of transportation, the abysmally low living standards, the rising sense of rebellion among the satellites, the burden of supporting China which Russia can no longer bear—all of these are becoming apparent to the average man in the street, although for months and years these facts were either unknown in Washington (which is unlikely) or they were deliberately suppressed.

Even the Secretary of State has acknowledged many of these facts in a secret hearing before Congress. European nations have known and accepted these facts for a long time. Perhaps the Hoover Commission was entirely right in its condemnation of the meagerness of the information turned up by our "intelligence department," both in its military and civilian branches.

MILITARISTIC HUBBUB

One cannot but ask, "What is all this militaristic hubbub about? Who, including your own congressmen, supports a program which in many respects, both in proposal and execution, is little short of sinister and threatens the rights of all of us and the young people most of all?"

The House of Representatives has already passed this shocking and unnecessary bill. You might—especially the young people—ask your own congressman, "Why?" Why indeed was the draft extended for four years when two might have sufficed? Why, if it were not the plan of the Pentagon and the militarist to saddle our people with the permanent blight of conscription?

Fortunately in the Senate under the able leadership of one of our wisest and most honorable national figures, Senator RICHARD B. RUSSELL, strong opposition to this iniquitous measure has developed. If the Democrats want an issue and a good one, here it is.

By the time of the elections it will be a much stronger issue than it is now. The support of the President for this bill—considering his character and honesty—is surprising and a little shocking, unless he is doing some bargaining with the Pentagon. Even then, there is no justification.

It would be well for all of us to remember that militarism can be just as great a threat to our freedoms and our welfare and our strength as communism ever was.

Mr. VINSON. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I want to take this opportunity to publicly express my sincere gratitude to the gentleman from Louisiana [Mr. BROOKS], whose conscientious and persevering efforts have made possible the conference report that is before the House today.

Certainly he has earned the title "Mr. Reserve", and I can think of no finer compliment to pay him than to have this law referred to in the future as the Brooks Reserve Act.

I also want to express my appreciation to the distinguished majority leader, Mr. MCCORMACK, and to the distinguished minority leader, Mr. MARTIN, and the distinguished gentleman from Indiana [Mr. HALLECK] for their valuable aid and indispensable cooperation which made the consideration and enactment of this legislation possible.

And certainly I could not let this occasion pass without expressing my deepest appreciation to the distinguished gentleman from Missouri [Mr. SHORT], the ranking minority member of the House Armed Services Committee. Without his sincere cooperation and his full and complete understanding of all the complex problems involved in this highly complicated matter of manpower this conference report would not have been possible.

It would be impossible to name all of the individual Members who played a part in this extremely important legislation, but certainly it would be proper for me to name a few without meaning to pass over others.

I want to pay special tribute to members of Mr. BROOKS' subcommittee who worked long, hard, and diligently on this highly controversial and yet absolutely indispensable legislation. I shall always consider that they accomplished a minor miracle in bringing together conflicting views which have resulted in what I consider to be an extremely well-written law.

Certainly the distinguished gentleman from California [Mr. JOHNSON], the ranking minority member of Subcommittee No. 1, as well as the gentleman from Mississippi [Mr. WINSTEAD]; the gentleman from Pennsylvania [Mr. VAN ZANDT]; the gentleman from Texas [Mr. FISHER]; the gentleman from Maryland [Mr. DEVEREUX]; the gentleman from Illinois [Mr. PRICE]; the gentleman from Oklahoma [Mr. WICKERSHAM]; the gentleman from Indiana [Mr. BRAY]; the gentleman from Massachusetts [Mr. PHILBIN]; the gentleman from New York [Mr. HOLTZMAN]; the gentleman from New Jersey [Mr. OSMERS]; and the gentleman from Oregon [Mr. NORBLAD], are entitled to the thanks of the American people for the time and study that they have put into this matter.

And the House managers must certainly receive full credit for their amazing grasp of this highly involved subject.

The gentleman from Texas [Mr. KILDAY], the gentleman from Illinois [Mr. ARENDS], joined with Mr. BROOKS, Mr. SHORT, and myself in holding together as a unit in the conference and in being able to present to the House this legislation which may well be the most important measure enacted during this Congress.

Mr. Speaker, I will not dwell upon the conference report for it has been printed in the RECORD and fully explained to the House. I think it is sufficient to say that hereafter all persons entering the Armed Forces will be required upon their completion of active duty to participate in Reserve training. This by itself will assure us a strong, ready, and virile Reserve.

We kept faith with the House and retained the 6-year total military obligation for all people entering the services hereafter, which is a reduction from the present law. We retained the principle of the amendment adopted in the House with regard to the deferment of high school students who wish to enter the 6-month program but do not want to interrupt their high school studies.

All told, I believe that we have brought back to the House a conference report which every Member can support.

Mr. Speaker, this will be the beginning of a new era in the defense of the Nation, for when we attain a trained Ready Reserve of 2,900,000 men, we will be able to give serious consideration to a reduction in our standing force. Once we have attained a strong Ready Reserve of 2,900,000 men, if international conditions permit, we will be able to make reductions from the long-range planned strength of 2,850,000 men in our regular forces. That, of course, will be a happy day for America, for it will mean a reduction in defense expenditures and a lessening of the impact of the dislocation of the youth of America. It will mean a stronger defense with a lesser sacrifice in time and money.

After the Brooks Act has been in effect for a sufficient length of time to build up to the Ready Reserve that is contemplated, we will have attained the greatest single achievement in our national-defense program since the end of World War II.

CALL OF THE HOUSE

Mr. VINSON. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. VINSON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 128]

Anfuso	Gamble	Perkins
Avery	Green, Pa.	Prouty
Boykin	Hardy	Radwan
Buchanan	Hays, Ohio	Reece, Tenn.
Budge	Hillings	Reed, N. Y.
Byrne, Pa.	Hinshaw	Shelley
Chase	Kearney	Sieminski
Chiperfield	Kee	Thompson, La.
Chudoff	Keogh	Thompson, N. J.
Diggs	Kilburn	Tollefson
Dingell	King, Pa.	Vursell
Dorn, N. Y.	Krueger	Watts
Eberharter	Miller, N. Y.	Willis
Feighan	Morrison	Wilson, Calif.
Fino	Mumma	Winstead

The SPEAKER. On this rollcall, 391 members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

RESERVE FORCES ACT OF 1955

Mr. VINSON. Mr. Speaker, I move the previous question on the conference report.

Mr. BRAY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the conference report?

Mr. BRAY. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BRAY moves to recommit the conference report on the bill H. R. 7000 to the conference committee.

Mr. VINSON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on agreeing to the conference report.

Mr. MASON. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 315, nays 78, answered "present" 1, not voting 40, as follows:

[Roll No. 129]

YEAS—315

Abbitt	Dodd	King, Calif.
Abernethy	Dolliver	Kirwan
Addonizio	Dondero	Kluczynski
Albert	Donohue	Landrum
Alexander	Donovan	Lanham
Alger	Dowdy	Lankford
Allen, Calif.	Doyle	Latham
Allen, Ill.	Durham	LeCompte
Andersen, H. Carl	Edmondson	Lesinski
	Elliott	Lipscomb
Andresen, August H.	Ellsworth	Lovre
	Engle	McCarthy
Andrews	Evins	McConnell
Arends	Fallon	McCormack
Ashley	Fascell	McDonough
Ashmore	Feighan	McIntire
Aspinall	Fenton	McMillan
Auchincloss	Fernandez	Machrowicz
Ayres	Fine	Mack, Ill.
Baker	Fisher	Mack, Wash.
Baldwin	Fjare	Magnuson
Barrett	Flynt	Mahon
Bass, N. H.	Fogarty	Mailliard
Bass, Tenn.	Forand	Martin
Bates	Ford	Matthews
Becker	Forrester	Merrow
Belcher	Fountain	Metcalf
Bell	Frazier	Miller, Calif.
Bennett, Fla.	Frelinghuysen	Miller, Md.
Bentley	Friedel	Miller, Nebr.
Berry	Fulton	Mills
Blitch	Gamble	Minshall
Boggs	Garmatz	Morano
Boland	Gary	Moss
Bolling	Gathings	Moulder
Bolton	Gavin	Multer
Frances P.	Gordon	Murray, Ill.
Bolton, Oliver P.	Granahan	Murray, Tenn.
	Grant	Natcher
Bonner	Gregory	Norblad
Bosch	Gubser	Norrell
Bowler	Gwinn	O'Brien, Ill.
Brooks, La.	Hagen	O'Brien, N. Y.
Brooks, Tex.	Hale	O'Neill
Brown, Ga.	Haley	Osmers
Broyhill	Halleck	Ostertag
Buckley	Harden	Passman
Burleson	Harris	Patman
Burnside	Harrison, Va.	Patterson
Bush	Harvey	Pelly
Byrnes, Wis.	Hays, Ark.	Pfost
Canfield	Hébert	Phillips
Cannon	Henderson	Pilcher
Carlyle	Herlong	Pillion
Carnahan	Heselton	Poage
Carrigg	Hess	Poff
Cederberg	Hiestand	Preston
Celler	Hill	Price
Chase	Hinshaw	Priest
Chatham	Hoeven	Prouty
Chelf	Holmes	Quigley
Chenoweth	Holt	Rabaut
Clark	Hope	Rains
Cole	Horan	Ray
Colmer	Hosmer	Reed, Ill.
Cooley	Huddleston	Rees, Kans.
Coon	Hull	Reuss
Cooper	Hyde	Rhodes, Ariz.
Corbett	Ikard	Richards
Coudert	Jackson	Riehlman
Cramer	James	Riley
Cretella	Jarman	Rivers
Cunningham	Jenkins	Roberts
Curtis, Mass.	Jensen	Robsion, Ky.
Dague	Johnson, Calif.	Rodino
Davidson	Johnson, Wis.	Rogers, Colo.
Davis, Ga.	Jonas	Rogers, Fla.
Davis, Tenn.	Jones, Ala.	Rogers, Mass.
Davis, Wis.	Jones, Mo.	Rogers, Tex.
Dawson, Ill.	Jones, N. C.	Rooney
Dawson, Utah	Judd	Rutherford
Deane	Karsten	Sadlak
Delaney	Kean	St. George
Dempsey	Kearns	Scherer
Derounian	Keating	Schwengel
Devereux	Kelly, N. Y.	Scott
Dies	Kilday	Scrivner
Dixon	Kilgore	Scudder

Seely-Brown	Teague, Tex.	Westland
Selden	Thomas	Wharton
Sheppard	Thompson, Tex.	Whitten
Short	Thomson, Wyo.	Wickersham
Shuford	Thornberry	Widnall
Sikes	Trimble	Wigglesworth
Siler	Tuck	Williams, Miss.
Simpson, Ill.	Tumulty	Williams, N. J.
Simpson, Pa.	Udall	Williams, N. Y.
Sisk	Utt	Wilson, Ind.
Smith, Miss.	Vanik	Wolcott
Smith, Va.	Van Zandt	Wolverton
Spence	Velde	Wright
Springer	Vinson	Young
Steed	Vorys	Younger
Taber	Vursell	Zablocki
Talle	Wainright	Zelenko
Taylor	Walter	
Teague, Calif.	Weaver	

NAYS—78

Adair	Green, Oreg.	Mollohan
Bailey	Griffiths	Morgan
Barden	Gross	Nelson
Baumhart	Hand	Nicholson
Beamer	Harrison, Nebr.	O'Hara, Ill.
Bennett, Mich.	Hayworth	O'Hara, Minn.
Betts	Hoffman, Ill.	O'Konski
Blatnik	Hoffman, Mich.	Philbin
Bow	Holifield	Polk
Boyle	Holtzman	Powell
Bray	Johansen	Rhodes, Pa.
Brown, Ohio	Kelley, Pa.	Robeson, Va.
Brownson	Klein	Roosevelt
Burdick	Knox	Saylor
Byrd	Knutson	Schenck
Christopher	Laird	Sheehan
Church	Lane	Smith, Kans.
Clevenger	Long	Smith, Wis.
Crumpacker	McCulloch	Staggers
Curtis, Mo.	McDowell	Sullivan
Denton	McGregor	Thompson, Mich.
Dollinger	McVey	Van Pelt
Dorn, S. C.	Madden	Wier
Flood	Marshall	Withrow
Gentry	Mason	Yates
George	Meader	
Gray		

ANSWERED "PRESENT"—1

Jennings

NOT VOTING—40

Anfuso	Hardy	Perkins
Avery	Hays, Ohio	Radwan
Boykin	Hillings	Reece, Tenn.
Buchanan	Kearney	Reed, N. Y.
Budge	Kee	Shelley
Byrne, Pa.	Keogh	Sieminski
Chiperfield	Kilburn	Thompson, La.
Chudoff	King, Pa.	Thompson, N. J.
Diggs	Krueger	Tollefson
Dingell	Macdonald	Watts
Dorn, N. Y.	Miller, N. Y.	Willis
Eberharter	Morrison	Wilson, Calif.
Fino	Mumma	Winstead
Green, Pa.		

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hardy for, with Mr. Jennings against.

Mr. Avery for, with Mr. Radwan against.

Until further notice:

Mr. Keogh with Mr. Kearney.

Mr. Anfuso with Mr. Miller of New York.

Mr. Hays of Ohio with Mr. Reece of Tennessee.

Mr. Dingell with Mr. Dorn of New York.

Mr. Eberharter with Mr. Chiperfield.

Mr. Morrison with Mr. Fino.

Mr. Winstead with Mr. Hillings.

Mr. Shelley with Mr. Kilburn.

Mr. Boykin with Mr. Krueger.

Mrs. Buchanan with Mr. Reed of New York.

Mr. Byrne of Pennsylvania with Mr. Budge.

Mr. Chudoff with Mr. Mumma.

Mr. Thompson of Louisiana with Mr. King of Pennsylvania.

Mr. Thompson of New Jersey with Mr. Tollefson.

Mr. Macdonald with Mr. Wilson of California.

Mr. JENNINGS. Mr. Speaker, I have a live pair with the gentleman from Virginia, Mr. HARDY. If he were present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. PASSMAN changed his name from "nay" to "yea."

Mr. BAILEY changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. VINSON. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks in the RECORD on the bill H. R. 7000.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

OLD COLONY PROJECT, BOSTON HOUSING AUTHORITY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6980) providing for the conveyance of the Old Colony project to the Boston Housing Authority, 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:

Page 2, line 5, after "determine" insert ", and the amount received for each project shall be reported by the Administrator to the Banking and Currency Committee of the Senate and the Banking and Currency Committee of the House of Representatives."

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

TRAVEL EXPENSE, UNITED STATES MARSHALS

Mr. LANE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4019) to authorize mileage allowance of 10 cents per mile for United States marshals and their deputies for travel on official business.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That United States marshals and their deputies shall, under regulations prescribed by the Attorney General and whenever such mode of transportation is authorized or approved as more advantageous to the Government, be paid in lieu of actual expenses of transportation not to exceed 10 cents per mile for use of privately owned automobile or airplane when used on official business or when used in necessary travel on official trips. In addition to the mileage allowance prescribed in this Act, there shall be allowed to United States marshals and their deputies reimbursement for the actual cost of ferry fares and bridge, road, and tunnel tolls.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That subsection (3) of section 553 of title 28, United States Code, is amended by striking out '7 cents' and inserting '10 cents' in lieu thereof."

The committee amendment was 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.

Mr. LANE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2592) to increase the mileage allowance of United States marshals and their deputies from 7 cents per mile to 10 cents per mile.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. LANE]?

Mr. HOEVEN. Mr. Speaker, reserving the right to object, has this bill been cleared with the minority member of the Committee on the Judiciary?

Mr. LANE. Yes, it has been.

Mr. HOEVEN. And with the leadership on the Republican side?

Mr. LANE. Yes, it has.

Mr. HOEVEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That paragraph (3) of section 553 of title 28, United States Code, is amended by striking out "7 cents" and inserting in lieu thereof "10 cents."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The proceedings whereby a similar House bill (H. R. 4019) were vacated and that bill was laid on the table.

COMMODITY CREDIT CORPORATION

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table, the bill (H. R. 2851) to make agricultural commodities owned by the Commodity Credit Corporation available to persons in need in areas of acute distress, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. COOLEY, POAGE, GRANT, JENNINGS, HOPE, AUGUST H. ANDRESEN, and HILL.

AMENDING TITLE V OF THE AGRICULTURAL ACT OF 1949

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3822) to amend title V of the Agricultural Act of

1949, as amended, with Senate amendments thereto, disagree to the Senate amendments and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. COOLEY, POAGE, GATHINGS, GRANT, HOPE, AUGUST H. ANDRESEN, and HILL.

SPECIAL ORDER GRANTED

Mr. CARNAHAN asked and was given permission to address the House for 5 minutes today, following the legislative program of the day and the conclusion of any special orders heretofore entered.

SOUTHERN CALIFORNIA'S POSITION ON THE UPPER COLORADO BASIN STORAGE PROJECT

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, a football field is slightly more than an acre of ground. Cover it a foot deep with water and you would have about an acre-foot of water. Cover it with a tower of water 11,000 miles high, and you have an idea of the amount of water parched Southern California will lose if the upper Colorado Basin storage project is built as now planned.

Imagine a canal wide enough and deep enough to float the worlds' biggest ship, the Navy's new aircraft carrier *Forrestal*. Imagine that canal stretching from New York City to Los Angeles. During just 1 year, enough of the Colorado River's water to fill it could be stopped from flowing downstream at the project's gigantic Glen Canyon Dam.

That is water that could not be used by southern California, Arizona, and Nevada because it would be withheld upstream and never reach them.

All this is true because the multibillion dollar project is designed to put approximately 48 million acre-feet of water in storage behind dams in Colorado, Utah, Wyoming, and New Mexico. Another 10 million acre-feet of water would be dissipated into thin air by evaporation during storage.

In all, 58 million acre-feet of water would not flow down the Colorado River from the Upper Basin States of Wyoming, Utah, New Mexico, and Colorado to the lower basin States of Arizona, Nevada, and California.

Yet so vital is this matter in the lower basin that even today arid Arizona and California are before the United States Supreme Court litigating their rights to it.

California agrees that the upper basin is entitled to use some of that 58 million acre-feet, but contends that most of it must be left flowing down to the lower basin under provisions of a solemn contract entered into by these seven States in 1922 known as the Colorado River compact.

California's basic position is that she conforms to the compact and must insist that the States of the upper basin and the Federal Government do likewise in the planning and administration of the storage project. California thus is fighting only to preserve rights to water she already has and not for any new and additional water rights.

Relying on these existing rights, California carefully invested between one-half and three-quarter billion dollars of local money, not Federal money, for water projects calculated to make maximum use of her share of the Colorado River. Thereby, southern California was transformed from a semidesert into an oasis constituting one of the Nation's key economic and agricultural regions, supporting millions who migrated to her from borders from less hospitable climates.

As southern California continues to grow, her need for water becomes greater, not less. Should the bleak day ever come when her Colorado River water supply is cut off, on that day the jobs of the millions she supports will vanish and the value of everything they own that cannot be transported to another part of the country will be lost completely and forever.

That is why Californians in Congress are fighting so hard to prevent spending billions from the United States Treasury to build the upper Colorado project in such a manner as merely to transport the oasis of southern California to Wyoming, Colorado, Utah, and New Mexico. In the process, financial ruin would be imposed on almost 6 million southern Californians. These States can plan their projects without this disastrous result and California demands that they do so.

The reason they have failed so far to do it is clear. To find a common ground for agreement amongst themselves, each of the upper basin States had to accept every project, good, bad or indifferent, any of the others asked for. They ended up with a monstrosity that did not fit the interpretations and meaning of the Colorado River compact. Rather than recede, they adopted a technique of twisting, straining and distorting the compact in an attempt to stretch it over the monstrosity.

The reason they have adopted this technique is not so clear. To understand it requires some knowledge of the Colorado River compact and the situation that produced it.

Early in this century southern California already had begun its miraculous expansion in population, agriculture and industry. A water shortage was faced, and Los Angeles began reaching up into the Owens Valley for water to be transported through an aqueduct over 100 miles long. Even then, men of vision foresaw water needs beyond those satiable from the Owens Valley and began talk of more ambitious plans. Plans which one day would result in such great works as Hoover Dam, Davis and Parker Dams, the All-American Canal, and the Metropolitan Water District's vast Colorado River aqueduct with its extensions reaching even as far as San Diego.

Meanwhile the upper basin States were experiencing little growth or progress. A Supreme Court decision had laid down a rule of law respecting use of river waters which said that whoever first begins using them obtains a right to continued use that cannot be taken away by someone who later wants to use the same water. The upper States foresaw burgeoning southern California acquiring first rights to almost all the river's water before they were able to appropriate uses themselves.

In this circumstance, according to the language of Delph Carpenter, Colorado's negotiator of the compact:

> The upper States had but one alternative, that of using every means to retard development in the lower States until the uses within the upper States have reached their maximum.

And that exactly is what they did. The Boulder Canyon Project Act authorizing Hoover Dam was stalled in Congress for almost 10 years by the obstructive tactics of upper basin Senators and Congressmen. It was passed only after tribute had been extracted from California and the lower basin in the following manner:

First, imposing the Colorado River compact which removed at least 7½ million acre-feet of water from appropriation by them; and

Second, requiring the California Legislature to pass a law further limiting the amount of water to which the State could acquire first rights.

The net effect was to place on California a limit of slightly less than 5½ million acre-feet of water per year that she could use. Thus limited, the State had to jettison many desirable projects. Nevertheless, California went to work and tailored her developments on the river strictly to the limitations and to the intent and meaning of the Colorado River compact. Even with only a portion of the great dreamed of projects built, no place in time or history has experienced developments of water resources comparable in scope and magnificence to those of southern California.

It is the water rights which underlie those developments that Californians seek to protect when they oppose the upper Colorado River storage project and charge that it tramples these rights.

The upper Colorado River storage project now before Congress seeks the construction of 11 irrigation projects in the so-called upper basin States of Wyoming, Utah, New Mexico, and Colorado. These would irrigate about 200 square miles of new land and supply supplemental water to about 400 square miles of land irrigated inadequately at present. They are known as participating projects.

According to Government experts, they would cost about $300 million, and that amount would be repaid to the United States without interest over a 50-year period as required by reclamation law and precedent.

The participating projects would use an estimated 400,000 acre-feet of Colorado River water a year for irrigation, domestic and industrial purposes. This amount is well within what the upper basin is entitled to use and California cannot object on that score.

There is, however, a but to the proposal and it is a big one. It is that revenues from the sale of water from the 11 participating projects during the 50 years would bring in only about 15 percent of the money needed to repay the Government for its investment.

As a consequence the proponents of the projects had to look elsewhere for an additional source of revenue to pay the remaining 85 percent of the price tag within the time limit. They seized on the idea of building vast power dams and utilizing the revenues from the sale of power for this purpose. In the proposals before Congress, these are called storage projects to obscure their true "cash register" nature.

As a starter two power projects are proposed—one at Glen Canyon and one at Echo Park, within the boundaries of Dinosaur National Monument. Other power projects would follow later.

The Glen Canyon and Echo Park power projects are unrelated in any way to the 11 participating projects, except as cash registers. The latter could function to supply water entirely without Glen Canyon and Echo Park. Yet Congress is being asked to spend about $600 million additional for the power features for the sole purpose of paying the $300 million participating projects' cost.

It is little wonder that alert citizens throughout the Nation, concerned over the Federal debt and high taxes, have voiced opposition to the scheme. Federal taxpayers would be better off if Congress makes an outright gift of the 11 participating projects to the upper-basin States and forgets the power features completely.

It is with these power features that Californians have also a special concern. They would hold back, for power use, most of the 48 million acre-feet of water to be stored by the project. In the storage process, another 10 million acre-feet of water would disappear by evaporation. Thereafter, they would evaporate another 600,000 acre-feet of water per year, enough to supply the needs of a city of 3 million people. The magnitude of the evaporation is apparent when compared with the 400,000 acre-feet figure that is to be put to beneficial use by all 11 participating projects.

That is mostly water that thirsty southern Californians claim they are entitled to have flow downstream to their State and which cannot legally be withheld from them because of their prior right to it established by contract, appropriation, and the Colorado River compact.

The Colorado River compact was negotiated at Santa Fe, N. Mex., in 1922 by the seven States bordering on the river. It is a contract between these States and authority for such interstate agreements is found in the United States Constitution. Herbert Hoover, then winding up his affairs as World War I Food Administrator for starving Europe, acted as chairman during the negotiations.

The compact did not attempt to divide up water in the river as such, nor did it make any specific allocations of water as such to the States involved. Rather, it proceeded by regarding the river as consisting of three parts:

First, the upper basin: Wyoming, Colorado, New Mexico, and Utah;

Second, the lower basin: California, Arizona, and Nevada; and

Third, that part of the river which crosses the international boundary and flows in the Republic of Mexico.

The dividing line between the upper and lower basins was fixed at a point called Lee Ferry in northernmost Arizona, near the Utah border.

Thereupon, the negotiators proceeded to apportion beneficial consumptive use of the river's waters between the basins. The compact nowhere defines beneficial consumptive use, and its meaning is one of the issues in the pending Supreme Court suit by Arizona against California. In general, it amounts to use of water for irrigation, industrial or domestic purposes.

That kind of use of water in the amount of 7½ million acre-feet yearly was apportioned to each basin by the compact's article III (a). This totals 15 million acre-feet, and since that was not all the water the negotiators believed available, by article III (b) they permitted the lower basin to make use of an additional 1 million acre-feet of surplus water.

Having no authority to cut Mexico out of water to which she might legally be entitled, they wrote article III (c) saying Mexico was to have whatever might be determined by a later treaty. This, again, was to come out of surplus, but if need be, equally out of each basin's III (a) apportionment. A subsequent treaty fixed Mexico's entitlement at 1½ million acre-feet a year.

At this point the negotiators had disposed of 17½ million acre-feet of water a year, but they thought there was even more in the river so in article III (f) they set up machinery for a further equitable apportionment of remaining water at a later date. Subsequent experience with the river has shown not only that this additional water is nonexistent, but also that part of the apportioned water likewise is nonexistent. The river, in fact, averages a critical deficiency of almost 2½ million acre-feet a year.

Unless she desires to enter into a one-party suicide pact California must resist to the utmost the upper basin's bold attempt, by means of the upper Colorado Basin storage project as now planned, to charge almost all this deficiency against California's preexisting water rights.

Unfortunately, this is only one of many ingenious ways in which the attempted invasion of California's water rights is being conducted. There are about a dozen other provisions in the compact on which upper-basin proponents are placing weird interpretations trying to deny California and the lower basin even more water. Illustrative is the dispute involving article III (d).

Since the flow of the river varies widely from year to year, lower-basin negotiators insisted on guaranties preventing the upper basin from manipulating its uses between wet and dry years to the disadvantage of the lower basin. This turned up as article III (d) prohibiting the upper basin from depleting the amount of water flowing past Lee Ferry below a total of 75 million acre-feet in any period of 10 consecutive years.

In their desperate water grab, project proponents now contend this proviso, rather than amounting to a minimum guaranty to the lower basin, amounts to the maximum amount of water they are required to turn down the river. They say they can keep everything in excess, storing it for power purposes or making any other use or nonuse they desire.

They persist in this contention even in the face of an interpretation of the compact made by Herbert Hoover at the time it was negotiated, in his words, as follows:

> The compact provides that no water is to be withheld above what cannot be used for purposes of agriculture. The lower basin will, therefore, receive the entire flow of the river, less only the amount consumptively used in the upper States for agricultural purposes.

In the past California has not opposed upper-basin developments. Many projects in Utah, New Mexico, Wyoming, and Colorado have passed Congress without an objection from the Golden State. But when schemes are proposed such as this, that cut deeply into the vital water supply, like a man attacked in his own home, Californians must command their every means and skill for self-preservation.

That the proposed upper Colorado Basin storage project would euchre California out of vast quantities of Colorado River water to which she is legally entitled is well known and understood.

Two additional specific objections to the project must not be ignored by Californians:

First. It threatens seriously to impair the quality of water, if any, southern California might receive from the River after project construction; and,

Second. Power generating capacity at Hoover Dam would be curtailed and the lost power would have to be replaced at a cost of millions to southern California consumers.

No one contends the quality of the water even now received from the Colorado River approaches excellence. Millions of dollars have been spent for purifying devices to remove hardening alkalis and salts before use in homes and factories. Yet witnesses for the Bureau of Reclamation have told Congress they neither concern themselves with water quality nor recognize any responsibility whatever to operate the proposed project with regard to this vital subject.

Only after searching cross-examination would they admit that their files contained no more than the most sketchy information on the subject. Based on it they reluctantly confessed even the initial features of the overall project would raise these impurities by a thumping 12 percent when the water reaches California.

That figure would jump to 54 percent if additional projects now in the planning stage are added to those presently under consideration.

The reasons why southern California's water quality would suffer are simple: First, water returning to the river after new upstream irrigation uses would contain added impurities dissolved from the soil. Second, pure upstream water diverted in large amounts through mountains and out of the river system forever would not be available to dilute concentrated impurities further downstream. Third, water withheld in upstream storage reservoirs would likewise be for dilution purposes.

Competent engineers estimate 1.2 tons of alkali and salt would be added to every acre-foot of water available for use in southern California.

Irrigators use at least 3 acre-feet of water per acre in a year to grow their crops. That would deposit 3.6 tons a year of such impurities on every acre. Just how long soil could continue growing crops in face of this is speculative.

The effect would be similar in home and industrial water systems, to say nothing of the already irritated digestive tracts of almost 6 million southern Californians.

Adding further insult to these injuries, the project would cost home and industrial customers of the Southern California Edison Co., the Los Angeles Department of Water and Power, and other Hoover Dam power contractors an extra $2 million a year in higher electric rates. Gilmore Tillman, assistant Los Angeles city attorney, places the exact figure at $2,152,000 a year. This would be the cost of fuel oil burned in steam generating plants for replacement power, less what would have been paid for the same amount of Hoover power.

At the same time, and for the remaining life of the power contracts at Hoover Dam—until 1987—the Federal Government, and thus the United States taxpayers, would lose a total of $187 million in revenue from power not sold because there was no water to generate it.

This $187 million loss to taxpayers illustrates that there are substantial reasons not to build the upper Colorado River storage project in addition to those local to California. These reasons, shared by the citizens of all the 48 States, are varied and compelling.

Many people throughout the country find the project objectionable because Echo Park, one of its major power features, lies in the boundaries of Dinosaur National Monument. They point out that a precedent would be set for the invasion of any and all national parks and monuments by unsightly power facilities in disregard of the trust imposed on each generation of Americans to preserve these public shrines unviolated for future generations.

Naturalists also point to the possible destruction of, or at least damage to, Utah's famed Rainbow Natural Bridge during construction and operations at the Glen Canyon power site.

In their turn, taxpayers groups and economists attack the project's effect on Federal finances from several fronts.

Raymond Moley, one of ex-President Roosevelt's brain trust, has stated that by the time compound interest for 50 or 100 years is paid on the $1 billion the United States must borrow to construct the project, costs will run to not less than $4 billion. Even simple interest at 2½ percent amounts in 10 years to 25 percent of the money borrowed; in 40 years to 100 percent; and in 80 years to 200 percent.

Moley's figures indicate the total cost would amount to more than $5,000 per irrigated acre. So poor is most of the land, located as it is at high elevations where growing seasons are short, that even after irrigation its value will average only about $150 an acre.

In all, about 600 square miles would be irrigated to produce surplus crops involving further losses to taxpayers when purchased under price-support programs. Even if needed, certainly there lies somewhere within the borders of the entire United States another 600 square miles of land that could be brought under cultivation at a cost significantly less than $4 billion.

Project proponents point out that the Government can expect to recoup part of its outlay by selling electricity from power features. However, their calculations are based on selling power for 6 mills per kilowatt-hour for the next 75 or more years. This anticipation is utterly unrealistic because production cost of electricity from both conventional and nuclear fuels is plummiting. With these costs at far below 6 mills in the foreseeable future, the net effect will be to leave the project's vast hydroelectric facility on the backs of Federal taxpayers as the most monumental white elephant in history.

There is a further fundamental concern pointed to by economists which must be faced both by the Nation and the people living in the upper basin who are even more directly involved. It is that the region is unbelievably rich in natural resources: Coal, oil, natural gas, oil shale, uranium, gold, silver, copper, lead, zinc, molybdenum, vanadium, phosphate, and many other minerals.

The resources utilized toward development of an unlimited industrial economy, not a limited farm economy, are the real keys to the area's future and to its full contribution to the American way of life.

Water resources in the area are of measurable quantity and their potential benefits in an agricultural economy not great. On the other hand, the benefits which they can bring in a program of industrial expansion are immeasurable.

Should not this region, and must not the Nation, insist that the course of development be pursued which is to the greatest good of all?

It is clear that Californians must oppose the upper-basin storage project to protect the quantity and quality of their Colorado River water supply and to protect an important source of their electric power.

It is equally clear that all other Americans should join in this opposition for protection of the Nation's finances and in pursuance of a sound national policy to develop each part of our homeland to its own, and to the country's highest good.

The whole upper Colorado project must be revamped to the end that it ultimately will produce results instead of merely consequences.

THE SUMMIT CONFERENCE

The SPEAKER. Under the previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I read to the House last week, the day before the President left for the conference at Geneva, a letter I wrote him—wishing him godspeed from Washington—and telling him that all of the people from the days of Lincoln to the present time were behind a President who wanted honor and integrity and peace for our country.

I told him that every one of us was back of him solidly in hoping for a peaceful settlement at Geneva. I believe a long step has been taken toward peace—and well received, from accounts that come to us from across the water—even the people in the streets of Soviet Russia seem pleased with the results of the first step at Geneva. Whether they recognize the Divinity or not, I believe they are hoping that somewhere there is a Supreme Being who has guided this step toward peace. Certainly no one in the world would want another war, a war more horrible than the ones we have had.

I believe President Eisenhower will succeed in the end in securing a just peace with honor. I do not believe there is a Member of Congress here today or anybody in the country who has not hoped and prayed, even the Communists, that the President would have success at Geneva.

NEEDS OF THE SCHOOLS

The SPEAKER. Under the previous order of the House, the gentleman from West Virginia [Mr. STAGGERS] is recognized for 30 minutes.

Mr. STAGGERS. Mr. Speaker, what will a nation profit if it has control of atomic energy and loses an adequate educational system?

Day after day, week after week, month after month, and year after year, the United States Congress stands by and permits the deterioration of our school system without lifting a finger to remedy it.

We debate and discuss hundreds and thousands of subjects that are far less important than the future of America's schools. We can postpone the issue no longer. We must face up to the fact that the crisis is here. Not tomorrow, not next year, nor the next Congress, but today—we must act. Schoolhouses are bursting at the seams; teachers are leaving the educational field for greener pastures; methods need revision and improvement; and leaders are few and far between. The picture is indeed dark.

Although we recognize that educating its youth has been the responsibility of the respective State, we cannot close our eyes to the fact that many States are unable to provide adequate and proper educational facilities. Therefore, education

becomes a national problem—one that Congress can no longer ignore.

I call upon this Congress to assume its responsibility to our youth by bringing up and enacting a school construction bill—a good one, but only, I hope, a small beginning of a great educational horizon. This is the turning point—either we decide now to go the right way and provide the means to help our youth, or we go the wrong way and continue to ignore and postpone. You know and I know that America's youth is its greatest wealth and we shall fail God if we fail them.

We spend millions and billions of dollars for atomic research and development. Should we not be equally alert to the importance of education? Educating our youth scholastically, physically, and spiritually is our greatest responsibility—our greatest defense.

Out of the historical development of American life have come the ideas, the aspirations, the knowledge, and the purposes which set the task of public education. Learning, reason, and faith in an enlightened populace were an integral part of the pioneering, adventurous spirit that in 1776 and in 1787 dared to place the destiny of a people in their own hands—that dared to trust the future of an infant tottering nation to the wisdom and considered judgment of the many rather than to the few—that dared to believe the combined wisdom of all the people, when brought to a focal point on matters of common concern, was better than the thinking of a small select group. It was in this spirit that our Nation was conceived and brought into existence. It was in this spirit that the public school was born and its broad purposes delineated.

Our Republic was born in an age in which people firmly believed that understanding and reason could lead to a better way of life. The spirit in which it was conceived by hardy frontiersmen glowed with an intense love and thirst for freedom, respect for the worth and dignity of each individual and an almost unbounded optimism in the future. In this boldly conceived plan of government the strength and wisdom needed to build a nation and characterize its people would not flow from a single center but would emerge from the thousands of cities, towns, villages, and hamlets that dot the landscape and from the millions of individuals who populate them. A great trust was placed in the understanding and considered judgment of the people. A strong incentive was placed on learning. The lives and fortunes of individuals, the character of institutions, the nature and scope of economic enterprise, the destiny of the Nation itself were made to depend on the wisdom of the people's decisions on common issues and on the understanding and skills with which they faced the daily tasks of living. The great purpose of education—of the public schools—was pointedly and forcefully stated in the often repeated statement of Jefferson:

> If a nation expects to be ignorant and free in a state of civilization, it expects what never was and never will be.

The importance of people as individuals, no matter who they were or where they lived, their freedom to make choices, their rights in self-government, their responsibility for developing and using their own abilities and enjoying the fruits of their labors are the pillars upon which our way of life has been built and upon which our Nation rests. But the Founding Fathers wisely realized that the formation and formal adoption of great principles of liberty and freedom, no matter how nobly they were conceived or how eloquently they were uttered, were not enough to insure the development of a nation of free people. Ideals had to be clothed with meaning that could be readily comprehended by the common people; abstract concepts had to be brought into the abstract setting of the rough and tumble of everyday life; principles had to be translated into a day-by-day, working philosophy for farmers, and miners, and lumbermen, and traders, and seamen.

To clothe these ideals with meaning for every citizen; to make concrete application of abstract conceptions; to make these principles work; to keep these values basic to the well-being of our country alive and vibrant in the hearts and minds of a widely spread, diverse population; to give people the understanding and vision needed to make intelligent choices and sound decisions on issues of individual and common concern; to develop the abilities of every individual to the greatest extent possible so that he could contribute a full measure to the life of his community and Nation became the great purposes of the school.

How well have the schools kept the trust bestowed upon them? How well have they met the great challenge extended to them? The answers to these deep and perplexing questions must be sought in the values that stir the ambitions, guide the decisions, and motivate the actions of the people whom the schools have served.

Prof. George Counts has aptly pointed out that the essence of any civilization is found in its values, its preferences, its moral commitments, its loyalties, its standards of excellence, its measures of success, its teachings regarding the things for which and by which men live, and, if need be, die. It is from this vantage point that the institution of public education in America should be viewed.

The true greatness of America in the past, as it will be in the future, has not been in its busy lanes of commerce, its mighty industries, its complex network of communication, its productive farms, or its valorous military units, great, and powerful, and important as they have been. But, rather, its true greatness has been in its high regard for the worth of man, the dignity with which it has clothed him, the freedom it has bestowed upon him, and the opportunities it has extended to him to develop his strength and prove his powers.

It is these values and traditions that have made oppressed people all over the world turn toward America with longing eyes and knock on her door for admittance. It is these values and traditions that have made peoples in the free world turn toward America for leadership in this hour of crises. It is these values and traditions in which the true and enduring greatness of America lies. It is these values and traditions which the schools have sought to preserve and to perpetuate.

Guided by the values and traditions gleaned in a large part from their school experiences people have over the years since the beginning of our Nation faced great issues and made decisions that have extended voting privileges to more and more people, to nonproperty owners and to women; enacted child labor laws to protect the young against exploitation; taken many steps to protect the health and to provide for the safety of workmen in mines and industries; provided for the care and comfort of people in unfortunate circumstances due to old age, illness, unemployment, and dire disaster; made great strides in improving the lot of the Negro race; given laborers an opportunity to share with management in determining the policies and conditions under which men work.

Each of these and many other comparable achievements have been accomplished through the consideration and decision of a large number of people who had been served by the schools. They got hold of and hung onto the principle that the individual person—no matter who he is or where he lives—is important. Had they not ardently believed in this principle and steadfastly held onto it these accomplishments could not have been made. Viewing these accomplishments with reason and considered judgment, there are but few who would maintain that the schools have not met the challenge extended to them with glowing success.

In our appraisal of what the schools have contributed to our way of life we must not overlook the importance they have played in the phenomenal growth of business, industry, commerce, and agriculture. In commenting about what schools mean to American industry Frank Abrams, of the Standard Oil Co., recently commented:

> No institution, no corporation—especially none operating in world markets where the diversity of the human race is most easily observed—can fail to recognize that the ability of our own country to progress is owed to our national acceptance and promotion of universal education as much as to anything else.

Mr. Abrams continues:

> I believe education has done more to create and expand business than any other force in America. (From an address before the national convention of the American Association of School Administrators, Atlantic City, N. J., 1953. Official convention report, pp. 103–112.)

The United States Chamber of Commerce from a study of the relationships between education and economic enterprise concluded that money wisely expended for education was a sound business investment. In this study this group of businessmen found that farm income, retail sales, and magazine circulation increased with schooling—United States Chamber of Commerce, Education, An Investment In People.

From my own experience as a pupil and a teacher in the public schools of West Virginia I recall that the public

schools led the way in improving farm practices. Research in the land-grant colleges had shown that better seed selection, use of fertilizer, and improved cultivation would greatly increase the yield of corn per acre and add substantially to farm income. But this was research—book learning. It had little value until it was translated into practice and farmers were slow about adopting these measures.

What happened? Agricultural leaders turned to the schools. The schools taught the children how to grow more corn on an acre and the children taught their parents or in time became the farm operators themselves. The same procedure has been followed in the improvement of hogs, and sheep, and cows, and poultry. This education process has been so successful that the amount of agricultural production has now become a problem of excess rather than limitation.

I recall seeing the schools in my State as they did, I am sure, in many other States take the lead in developing an understanding of the values and methods of contour plowing and strip farming as a measure of soil conservation. I watched children with their teachers studying the destructive forces of water and wind erosion, planting trees on barren eroded slopes, and experimenting with various types of cover crops. They were getting the understanding and experience needed to make intelligent decisions about the proper care and use of soil, one of the greatest natural resources. Failure to completely resolve this difficult national problem is not due to the shortcomings of the school. Rather it is due to the shortsightedness of governmental bodies that failed to give them enough resources to do the job well.

Throughtout our history the people of this country have exemplified a great faith in education, in the public schools. Time and time again they have turned to them when confronted with difficult problems. The schools have been called upon to assist in improving sanitation and nutrition and in controlling communicable diseases as long-range health-improvement measures. They have been given large measures of responsibility for curbing juvenile deliquency, improving home and family life, preparing for the defense of our country against aggression, and strengthening the moral fiber of our citizenship. There are but few who maintain that the schools have not met the great challenges extended to them again and again with marked success. No matter where we look the results speak for themselves.

With each passing decade the importance of knowledge and reason and technical skills—the importance of the public schools—has increased with snowballing proportions:

First. The application of science to business and industry, the mechanization of agriculture, the phenomenal developments in communication and transportation that have made people in the most distant parts of the world neighbors, whom we must learn to know and to live with, have created needs for skills, information, and breadth of understanding that were scarcely dreamed of a generation ago. There is so much to know, so much need for ability and understanding when the fate of free men might well depend on a single move or event at the national or international level.

Second. Rapid urbanization of the population has confronted millions of people with complex social problems completely foreign to their former experiences in a simpler agrarian life. Shall they be let drift until disastrous consequences arise or until a self-appointed leader takes advantage of an opportunity to exploit the situation for his own selfish purposes or shall they be met in the traditional American way through understanding and reason developed through education?

Third. Nuclear fission has unleashed a source of physical power almost too great for the unscientifically trained mind to envision or comprehend. If properly harnessed and controlled, it can bring untold comforts and blessings to mankind. If improperly managed and utilized for wrong purposes, it might lead to complete extermination of mankind from the face of the earth.

Fourth. An ideology foreign and antagonistic to the basic principles upon which our Nation was established has reared its powerful head and is striking with telling impact at our ideals, institutions, and traditions. At the moment we are on the defensive against this terrifying force.

Fifth. Social, political, and economic problems and issues at local community, State, and national levels become increasingly complex from year to year and make an imprint on the lives of people in every part of the country with greater rapidity. What understanding must the typical citizen have to form clear opinions and sound judgment about the many issues pertaining to:

(a) The future of TVA and public power?

(b) Management of the public domain?

(c) Government subsidies for farmers?

(d) The surplus of agricultural commodities?

(e) A guaranteed annual wage for laborers?

(f) The proposed Bricker amendment?

(g) The functions of the Atomic Energy Commission?

These are but a few of the momentous problems and issues that confront American citizens—American housewives, farmers, businessmen, laborers, industrial managers, people in all walks of life. All are concerned. Their jobs, the welfare of their families, their future, the future of their institutions, the future of the economic enterprise on which they depend for a livelihood, the future of their communities, the future of the entire Nation depends on the manner in which they are resolved. It is out of these issues that the great need for public enlightenment emerges. Never before has there been a greater need for vision and wisdom, technical knowledge and skills. Never before has the challenge to the public schools been so great.

How well are the schools prepared to meet this challenge? Are they well housed, well financed, well manned? Are they in the condition of a well-equipped task force that has a vital mission to perform? Quite to the contrary they are poorly equipped, understaffed, inadequately housed, and meagerly financed:

First. More than half of the classrooms in use are overcrowded—providing less than 30 square feet per elementary pupil and 25 square feet per high school pupil.

Second. Fourteen percent of the classrooms provide less than 15 square feet per pupil.

Third. Two classrooms out of five have more than 30 pupils in them. Nearly 1 in 10 has more than 40 pupils.

Fourth. Nearly half of the school buildings are over 30 years old. One in five is over 50 years old.

Fifth. Two children in five are in buildings that do not meet minimum safety requirements.

Sixth. Nearly 700,000 children are attending school on a double session basis. One and a half million children are going to classes in rented buildings or in buildings not designed for school use—NEA Legislative Division, Room to Learn, special pamphlet, 1955.

The situation so far as the instructional staff is concerned is no better. The best information available shows that 1,126,000 teachers, principals, and supervisors were employed during the school year of 1954–55 in the public elementary and secondary schools. But that was not nearly enough. More than 58,000 additional teachers were needed to reduce class size to the reasonable maximum of 30 pupils enrolled. Eighty thousand teachers were teaching on emergency certificates; 75,000 teachers left the profession; 173,000 new teachers are needed to replace the dropouts, replace people who are teaching on emergency certificates, and to care for increased enrollments. Teachers' colleges are graduating about 95,000 persons each year but only 40 percent of this number go into teaching largely because of more remunerative employment opportunities elsewhere. The average annual salary for all classroom teachers in 1954–55 was $3,816. Almost 12 percent received an annual salary of less than $2,500—NEA Research Division, Advance Estimates of Public Elementary and Secondary Schools for the School Year of 1954–55. Issued in October and November 1954.

In my own State of West Virginia the average annual salary of the more than 16,000 teachers employed in the elementary and secondary schools during the school year of 1954–55 was $2,975.

Twenty-four percent received less than $2,500.

More than 1,000 will leave their jobs this year—37 percent of this number will go to other States that pay higher salaries—10 percent will enter other types of employment.

One thousand four hundred teachers who were employed did not fully meet the State's standard certification standards. They taught on emergency certificates.

Average expenditure for current expense purposes per pupil in average daily attendance in 1954–55 was $178 as compared with $261 for the country as a whole.

On every hand there are indications that people in this country are more keenly aware than ever before of the important role of public education in our way of life. On every hand there is compelling evidence that people believe a well-informed, enlightened citizenry is the strongest safeguard of freedom and the sturdiest bulwark against the threats of tyranny and oppression.

The National Congress of Parents and Teachers has its largest and most active membership in its entire history. More than nine million members are engaged in ceaseless efforts to improve the schools in their States and local communities.

In thousands of communities groups of lay citizens are working with their school boards and superintendents as advisory committees studying school problems and seeking for ways to secure additional school financial support.

Farm organizations, labor organizations, and associations of business leaders have taken strong positive positions on important educational issues.

Daily and weekly newspapers, magazines, and radio and television broadcasting stations are giving increasing attention to educational problems and issues.

Local and State governments have made great efforts and noteworthy accomplishments toward meeting this nationwide educational problem.

The best information available shows that 60,000 classrooms were built last year, but this was not nearly enough. There is still an accumulated shortage of 300,000 classrooms and increasing enrollments match the capacities of States and local districts to construct new buildings.

Teachers salaries have been raised substantially during the past decade but not enough. Teachers are still leaving the profession for better paying positions and the number of persons employed with emergency certificates is increasing.

Great efforts have been made to increase enrollments in teachers' colleges but more than half of the graduates from these institutions enter occupational fields other than teaching because of more favorable salary schedules and work conditions.

The basic fact underlying this educational dilemma is that the task of providing for the educational needs in the different States and localities has outgrown and overburdened the governmental structure in years past to perform this function. The situation is not wholly unlike the conditions that would have prevailed if roadbuilding and maintenance had been left as the responsibility of the townships, counties, and States. These units of Government could do very well with the relatively few 1930 model cars but would be completely overwhelmed with 1955 traffic needs.

There is much evidence to support this conclusion. The school building study made cooperatively between 43 different States and the United States Office of Education indicates that, if the States and localities make full use of available resources for school building construction, there would still be an existing need for classrooms that could not be met amounting to from $4 to $6 billion—NEA Legislative Division, Room To Learn, special pamphlet, 1955, page 6.

In my own State a special session of the legislature convened to appropriate money for raising teachers' salaries adjourned without finding a solution to the difficult problem.

What assistance is the Federal Government giving in meeting these grave educational problems? Have there been constructive steps taken comparable to—

First. The Morrill Act which established the land grant colleges?

Second. The Smith-Hughes Act which initiated vocational education at the secondary school level?

Third. The Veterans Education Act of 1944?

No positive steps of this nature have been taken. Calling a conference to talk these conditions over is about all that has been done. And even more discouraging is the recently published report of the administration's special committee on intergovernmental relations. Rather than coming forward with positive recommendations the section of this report dealing with Federal responsibilities in the field of education recommends that—

First. Federal financial aid for school lunches be tapered off and stopped as soon as possible.

Second. Federal financial aid for vocational education—vocational agriculture, homemaking, trade and industrial education—be tapered off and stopped except where clear national interest is involved.

Third. Federal aid is not necessary either for current operating expenses for public schools or for capital expenditures for new school facilities. Local communities and States are able to supply both in accordance with the will of their citizens.

It is in this light that the great contributions of the public schools to perpetuating and implementing the ideals of democracy, to developing and stabilizing the economy, to upgrading standards of living, to improving physical health and well being, and perfecting the institutions of this country are viewed by national leadership. Could this be another example of "fiddling while Rome burns"?

Again I ask, "What will a nation profit if it gains leadership in atomic research but fails its youth?"

GREETINGS TO EGYPT UPON ITS ANNIVERSARY

The SPEAKER. Under the previous order of the House, the gentleman from New York [Mr. POWELL] is recognized for 30 minutes.

Mr. POWELL. Mr. Speaker, this past Saturday, July 23, was the anniversary of the independence of Egypt.

When I came back from Bandung I said I thought it would be a very fine gesture of good will if on the occasion of the anniversary of independence of each one of the countries represented at the Bandung conference some Member of this Congress would rise and send greetings, except, of course, for those countries such as Red China and North Vietnam. So I rise to send greetings to the Prime Minister of Egypt and the country of Egypt.

I wish to applaud the efforts the Israeli and Egyptian Governments are making now to bring about peace in the Gaza strip.

This summer I plan to spend as much time as possible with the Prime Minister of Egypt, Mr. Nasser, Mr. Moshe Sharrett, and with Mr. Ben-Gurion of Israel. I hope that some good will and some relaxing of tension may be brought about by meeting with them. So that when the next Asian-African conference is held Israel will be one of the nations present.

I applaud Mr. Ben-Gurion's statement of yesterday that he is willing to meet Mr. Nasser or his delegate anywhere to discuss relaxing tensions between Egypt and Israel.

On May 23, Premier Moshe Sharrett said:

> Would Israel grant the Arabs transit rights across its territory?
>
> Transit rights would be a possible subject of discussion at a peace-table settlement. Actually Israel is not aware of any regular traffic having been jeopardized by Israel's establishment. Also, the Arab counries have alternative routes by sea.
>
> If they can make out a case for the need for contact in terms of traffic, that can be discussed—always subject to the preservation of the full territorial integrity and sovereignty of Israel.
>
> The far south is not the only area where the transit question may arise. Perhaps sometime there may arise a desire to revive the railroad traffic between Cairo and Beirut, or to link our port of Haifa with the Kingdom of Jordan. In such cases, our facilities would be available. We don't want to live here in isolation or in seclusion. With us at a crossroads, it becomes our international obligation and it may even become our interest to grant transit rights—subject to an all-out peace and reciprocity in trade relations, including the lifting of the Suez blockade and Arab boycott.

Now this is the major cause of friction and I believe with Mr. Sharrett it can be solved.

By this time next year there might be peace in the Middle East. Toward this let us all work and pray.

I would like to thank His Excellency the Ambassador from Egypt, the Honorable Ahmed Hussein, for his help.

EGYPT LOOKS FORWARD

Known everywhere as the "cradle of civilization," Egypt—which its citizens call Misr—has a recorded history going back nearly 6,000 years. Achievements of the ancient Egyptians in science, mathematics, medicine, art, law, and government are a source of amazement to modern scholars.

But, Egypt today has its eyes toward the future, as its new regime works to develop its productivity and raise the living standards of its people. Here are some of the projects now being pushed to completion:

A $50 million steel industry, to produce 200,000 tons annually.

A giant dam on the Nile River, which will add 2 million acres to Egypt's arable land, make possible 1 or 2 additional crops per year on another 700,000 acres, and produce 10 billion kilowatt-hours of electricity per year to power new industries. The dam will

cost $516 million, but will increase Egypt's national income by $430 million a year.

A 10-year, $87 million highway program.

A 7-year, $60 million program to enlarge and develop the nation's telephone system.

A 5-year, $57 million railway improvement program.

A 10-year, $33 million project to improve inland waterways.

The Government has taken important steps to improve opportunities for foreign investors; and one of the first major results has been a large-scale search for petroleum, for which millions of dollars are being spent by Egyptian and foreign companies. Prospects are believed to be highly promising.

Finally, I would like to personally congratulate the Premier of Egypt, Gamal Abdel Nasser, who made such a striking impression at Bandung. The following is an article written by him:

THE EGYPTIAN REVOLUTION

(By Gamal Abdel Nasser)

For a century and a half the Arab world has been following a negative policy. It has known what it wanted to do away with, but it has not known what it wanted to build. The western conquest of the Middle East was mental no less than physical. Overwhelmed and unsettled, eastern minds lost almost all national values, yet could not absorb western values. Misapplication of western patterns of government brought a confused mixture of political systems and philosophies. Democracy was only a veil for dictatorship. Constitutions framed in the interest of the people of the Middle East became instruments for their exploitation and domination.

Egypt's story in these years centers upon the effort to free the country from a foreign yoke and to find a policy capable of eradicating the evils accumulated by feudalism and compounded by misuse of governmental power. It was a long and painful search. Egyptians hoped for leaders to champion their cause and defend their interests, but politicians and factions for the most part made themselves subservient to the forces that were ravaging the country—British rulers, corrupt monarchs, feudal overlords, a non-Egyptian ruling class and its Egyptian satellites.

The British had occupied Egypt with the tacit consent of Khedive Tewfik, great uncle of ex-King Farouk, following the patriotic revolt led by General Arabi. The Khedive, who had concentrated all power in his own hands and used it to benefit himself and his family, feigned acceptance of the reforms demanded by Arabi, while opening the doors to the British who sought a pretext to justify an occupation of Egypt. In 1882 naval units of the British Fleet bombarded Alexandria, Egypt's second capital and the biggest port of the Mediterranean, and landed troops. These troops met stubborn resistance. The entire garrison of General Arabi's men in the Alexandria forts defended their positions to the last man, but in the battles that ensued, Arabi's army was defeated with the Khedive's connivance, and the British occupation began.

There were indignant protests, international as well as Egyptian, and the British, sensing that their status was not legitimate, soon announced that the occupation was only a temporary measure to achieve a particular objective—the reinstatement of the Khedive. In point of fact they intended to stay indefinitely, and did so. They always said they were on the point of leaving, and always found an excuse to stay. At first they claimed they were in Egypt to protect the foreigners against the Egyptians, although the foreigners never asked for their protection; then they claimed they had to stay to protect the Christian and Jewish minorities against the Moslems, overlooking the fact that the Christians and the Jews had joined the Moslems in demanding the withdrawal of the British forces from Egypt. The defense of the Suez Canal and the maintenance of their lines of communication with India and their Far Eastern empire were further pretexts. When World War II came they said they could not go because the Suez Canal was an important base, and after World War II they explained that they had to stay to safeguard the interests of the free world.

From the outset, the British sapped the strength and the moral energies of Egypt. They disbanded the Egyptian Army and created a token force commanded by British officers. British advisers were installed in every department of government and vested with power to exercise full control. Education, at that time developing on a national basis, was disestablished. It became the function of the educational machinery to produce government officials divorced from the claims of national experience. Projects for higher education were also discarded. Financial policy impoverished the country. The Egyptians had to pay the cost of occupation and open the country to British companies and foreign agencies. Chartered monopolies dominated the Egyptian market.

This system of foreign rule was built on the corrupt monarchy and the feudal system that had been instituted under Mohammed Ali, who reigned from 1805 to 1849. He had taken for himself an absolute monopoly of land and resources, treated farmers as slaves, and created a new feudal class formed by his own family and his clique composed mainly of aliens. Those were granted large allotments of land and exempted from taxation. This monopolistic system was extended to commerce and industry (with the entire destruction of free enterprise as a result), and the money thus collected was not used for the national welfare but spent lavishly on wars serving Mohammed Ali's own ambition. Hence the cleavage between the ruling family and the enslaved masses, and the seeds of hatred that germinated and flowered throughout the reigns of his successors, Ibrahim, Ismail, and Tewfik. And it was this corrupt and rapacious system that was fastened upon the Egyptian people when the British intervened to keep Tewfik in power.

Thought the absolute state monopoly of land and commerce was later dissolved and private ownership and free enterprise were permitted, crushing taxation withheld from the Egyptian farmer the fruits of his labor. Foreign business, which under the system of privileges known as the Capitulations operated free from all taxation, easily dominated the emerging Egyptian commercial class. The banking system that had been established at the time of Khedive Ismail was designed to serve only the interests of the vested class. Farmers were compelled to deal with jobbers who strained their scanty resources.

With the end of the First World War, however, there came a remarkable rise in the prices of agricultural products, and this enabled the farmers to repay part of their debts and cultivate different sorts of crops which could be disposed of more easily. Nonetheless, with the coming of the next World War, 1,751,587 Egyptian farmers owned less than 1 acre, and 571,133 farmers owned from 1 to 5 acres. A great mass of the agricultural population owned nothing. Nor did this state of things improve noticeably in the next 10 years. In 1950 there were 618,860 owners of parcels of land from 1 to 5 acres in size, an increase of only some 47,000.

Nowhere did the rulers of Mohammed Ali's family discharge their obligation to their people. Human activity operates between the two poles of right and obligation—a principle which applies ultimately to governor and governed. It is admitted that a man's duty corresponds to a right for another. The governor, then, is subject to rights and duties. His failure in fulfilling his duties—which are rights from the standpoint of the people—entails resistance on the part of the nation to secure these rights.

The problems confronting the Egyptian nation have thus for a long period seemed to fall into two parts: a struggle between the nation and its rulers, on one hand, and a struggle between the nation and foreign intervention, on the other. National struggle against foreign influence relates primarily to the sovereignty of the state, and derivatively to liberating the financial and economic resources of the state and administering them in the interest of national reconstruction.

And so the Egyptian nation carried on the battle to find constitutional stability, along with a second battle for sovereignty and self-government. One aspect of this was the struggle for autonomy in financial matters, and beyond that for an increase in individual and national incomes and a lifting of cultural and social standards. The problem was to restore human dignity in Egypt.

Throughout the period national struggle assumed different forms, some pacific and some revolutionary. The first was based on argument and logic, giving rise to the formation of political parties and the founding of newspapers and magazines to enlighten public opinion. But whenever the nation understood that peaceful methods would not avail, recourse was had to force. So Egypt had to pass through three revolutions: the Arabi revolution, the revolution of 1919, and the revolution of July 1952. Any revolution, which fails to realize its basic objectives inevitably lays the seeds for a subsequent uprising. Our national struggle was therefore one continual and unremitting battle, despite intermittent weaknesses. Always there were the 2 great objectives—to check despotism and make the nation itself the source of powers, and to put an end to foreign intervention and the usurpation of Egypt's resources.

In 1936, a treaty provided for the ending of British occupation, but it also required a permanent agreement between Egypt and Britain—a provision very likely to mean permanent occupation. After 1936 the British took the opportunity of party frictions to renew their intervention in Egyptian affairs. The thirst of party leaders after power was also utilized by King Farouk to realize personal ambitions at the expense of the vital interests of the people. He claimed exemptions from taxation and got control of thousands of acres of state property and entailed land. Merit was no criterion for rewards, nor was there any equality of opportunity; privileges were reserved for relatives and favorites of ministers in power. The results were nepotism and corruption. Egypt had a working constitution, but it veiled arbitrary rule.

When Arab countries felt the enthusiasm to rescue Palestine the Egyptian Government was ill prepared for the task. Mismanagement and corruption by the King's clique, which included trading in defective arms, rendered fruitless the bitter sacrifices made by the Egyptian Army which would otherwise have secured victory. The war revealed the extent of evils which pervaded the court and government, and stirred the nation to protest. An attempt was made to divert the attention of the masses to external issues—the key to the abolition of the 1936 treaty. Its abolition was certainly consonant with the national desire, and would have been a genuinely national achievement had the government taken the necessary measures of reform afterward. It did not. Hence the formation of "liberation commando squads." But while these operated in the canal zone, there came the shamelessly contrived burning of Cairo on

January 26, 1952. The commandos were paralyzed and the gap between the government and the governed widened.

II

Revolution was the only way out. And it came in 1952, led by the army and backed by the nation. In the prerevolutionary period the army was an instrument in the hand of despotic rulers who used it against the nationalist movements. Now it understood its position and joined the ranks of the people to herd the movement of national liberation.

This revolution, it will be understood, has been markedly bloodless in character because it is in essence the expression of a sentiment long suppressed but harbored in the heart of the nation. It was purely national with no international intervention. Conscious of the trend of events to follow, it realized its objectives within a shorter time than expected. The nation had sworn allegiance to Mohammed Ali in the attempt to overthrow the rule of the Mamelukes, but Mohammed Ali and his descendants unfortunately forfeited this loyalty, embarking on despotic enterprises and usurping the rights of the people. Thus it was an unconditional imperative that the revolution should overthrow the ruling dynasty, reclaim its birthright, and restore the lost national prestige. So it deposed the monarch, abolished monarchy, and established the Egyptian Republic.

As the pre-revolutionary public life had grown corrupt and effete through tampering with the constitution, and as the political parties had joined in the despotic rule contrary to the interest of the nation, it was necessary that the revolution should suspend the constitution, dissolve political parties, and frame a new constitution consonant with the new national aspirations. And because the government machinery was corrupt, it had to be cleansed and reformed.

Since national wealth was inequitably distributed and predominantly feudalistic, the revolution enacted the agrarian reform bill which set a ceiling on land ownership and rent, and provided against the breaking up of holdings not exceeding 5 acres. It also regulated the relation between landlord and tenant, by legalizing certain tenant rights. The Agrarian Reform Board is distributing the surplus areas, together with the land confiscated from Mohammed Ali's family, among the bulk of poor peasants. This land reform bill was, in the main, designed to liberate the bulk of peasants from the feudalism which was a corollary of the system of land tenure.

As the major concern of the revolution was the realization of state sovereignty, it was imperative that the British forces should be evacuated entirely.

The revolution also had a definite program for reconstruction. It began to develop the potential resources of the country, setting up the National Board of Production charged with planning national productivity and outlining the new policy of large-scale industrialization. It reestablished the Industrial Bank, the main objectives of which are to aid emerging industries, consolidate those already existing, and provide technical aid.

The prerevolutionary balance of trade was unfavorable to Egypt. The internal market, and to a larger extent the external one, were dominated by British influence. The revolution had to liberate the Egyptian economy from British control. Economic missions were dispatched to foreign countries to find new markets for Egyptian produce, and the Government adopted a barter policy of exchanging cotton for machinery, equipment, and other needed commodities.

III

The new régime in Egypt has a clear-cut policy for rebuilding the country on new foundations—an integrated, three-pronged development, now on the way to execution. Some of its activities may be mentioned here, not in an attempt to set forth the program in full, but only to offer examples.

The principal project is the Sadd el 'Ali (High Dam) scheme, designed mainly to increase agricultural output by almost 50 percent. Egypt's present agricultural land totals 6 million acres. The High Dam will reclaim 2 million more and will supply water for the permanent rice plantation of 700,000 acres, and convert another 700,000 acres of one-crop land in Upper Egypt to perennial irrigation. Built about 4 miles south of Aswan Dam, 200 miles north of the Sudan border, the giant dam will be constructed not as a conventional stone wall but a pyramidal granite rockfield almost half a kilometer thick. It will be 150 meters high, and its reservoir will cover 3,000 square kilometers—the highest dam and the largest reservoir in the world. Construction is expected to begin early in 1955, and the scheme will take 10 years to complete. It will cost $516 million. The Sadd el 'Ali will increase national production by $450 million a year, and will add an annual government revenue of $60 million.

Pending construction of the High Dam, we have drafted short-range plans for the expansion of cultivated land. The chief item is a 4-year plan, from 1952 to 1956, to reclaim 311,630 acres in upper and lower Egypt. This included a 10,000-acre nucleus for the new Tahrir (Liberation) Province, situated in the Western Desert alongside the western delta branch, between Cairo and Alexandria. The total plan covers an area of 600,000 acres in all, and future expansion may well double this area.

There is a second plan to reclaim 50,000 acres in the northwest tip of the Sinai Peninsula for the benefit of the Palestine refugees. Water would be tunneled underneath the Suez Canal to irrigate this area. The plan would be financed by the United Nations. In a third plan, still under survey, it is hoped to reclaim 100,000 acres by means of artesian wells. The project would be undertaken through the joint efforts of the Egyptian Government and the United States point 4 program.

Apart from increasing the extent of cultivated land, we are also stepping up agricultural production per acre. The agrarian reform program has already increased the yield of affected areas. As the peasants become owners of their land, they produce more per acre; for example, the yield in the sugarcane belt in upper Egypt increased from 733 to 908 kantars per acre. Rural cooperative societies have been created which provide the new small landowner with water, fertilizers, pure seed, livestock, technical advice, and other facilities. And the Ministry of Agriculture has taken measures to combat pests, increase livestock, supply seeds, and step up dairying and other agricultural industries.

In our integrated reform policy, various agricultural projects will contribute toward industrial development, and industrial projects will contribute toward agricultural expansion. For instance, the Sadd el 'Ali scheme will provide hydroelectric power for industry, while the fertilizer factories will add to the fertility of the soil. The 16 turbines will generate 10 billion kilowatt-hours every year, and the neighboring Aswan Dam will shortly be producing another 2 billion killowat-hours annually.

Besides hydroelectric power, we are also expanding the exploitation of our oil resources to the maximum. The first move was to revise the mining law which had restricted the operation of foreign companies in Egypt at a time when local capacities for the work were extremely limited. The restrictions have been removed and the transfer abroad of the companies' profits and capital is now permitted. Concessions are being granted to foreign oil companies. The largest, given to the Egyptian-American Oil Co., covers 75,000 square miles in the Western Desert. Other concessions have been given in the Eastern Desert and the Sinai Peninsula. Moreover, while existing oil wells at the Red Sea coast have increased their output, the capacity of the Government oil refinery at Suez has been raised from 300,000 to 1,300,000 tons annually. We are also building a Suez-Cairo pipeline to reduce oil transportation costs.

The largest plant in our blueprints is a fertilizer factory, to be worked on the Aswan Dam hydroelectric power which will be available in 1958. It will cost $72 million, and will produce 375,000 tons of calcium nitrates annually. When the Sadd el 'Ali scheme starts producing hydroelectric power, output will be increased to 500,000 tons a year. The second biggest plant is an iron and steel works, already being constructed at Helwan, near Cairo, by the German firm of Demag. This plant, costing $45 million, marks Egypt's entry into the field of heavy industry; it will take 4 years to complete, and will turn out 240,000 tons of steel products every year. The iron-ore deposits at Aswan are rich—sufficient, it is estimated, to supply Egypt's steel industry for 500 years.

A few other projects may be mentioned: a paper plant with an annual output of 20,000 tons of writing and printing paper, other than newsprint, to use sugarcane bagasse and rice straw (available locally in large quantities) and to start production in 1957; a beet-sugar factory with an annual capacity of 50,000 tons, costing $15 million and starting production at the end of 1955; a factory, now under construction, to turn out 200,000 tires a year at the beginning, with later increases to meet local requirements and permit some export; and a jute plant with a capacity of 20,000 tons a year, to cost about $6 million. In addition to bolstering the Industrial Bank, the Government has adopted other measures to help private industry, such as the improvement of internal communications, temporary protective tariffs, reduced customs on imported machinery, and the encouragement of foreign capital. It is expected that the agrarian reform program will also switch a major part of the Nation's capital from agriculture to industry, as big landowners are given compensation for their estates in the form of bonds which can be invested in industrial projects.

The increase of agricultural and industrial output will require new outlets in foreign markets. Egypt suffered a foreign trade deficit of $225 million in 1952, and a total deficit in the 10 years before the revolution of more than $1.5 billion. The revolutionary government was able to overcome this chronic foreign trade deficit, and to show a profit of $43 million by the first quarter of 1954, and of $61 million by the second quarter of the same year.

This achievement took strenuous efforts at home and abroad. At home, corrupt government interference with cotton prices, which had resulted in the medium-staple cotton fetching higher prices than the long-staple categories, was eliminated. The cotton futures market, through which the prices had been manipulated, was closed, and Egyptian cotton prices tied up with those of the United States. The elimination of illicit practices restored confidence abroad in Egypt's cotton trade. Trade policies were based on the principle that politics should be kept separate from economics. We made no distinction between West and East in selling cotton, and trade and payments agreements were concluded with Eastern and Western countries alike. Cotton is the backbone of Egypt's economy. We were able to dispose of the huge carryovers of crops.

To improve the trade balance we also had to cut down nonessential imports, and to restrict imports from countries with which we had not concluded trade agreements. With the completion of plans for agriculture and industrial expansion, we shall be able

to reduce our imports of foodstuffs and manufactured goods. These will include chiefly wheat, oil, and household articles. These savings will not only improve Egypt's trade balance, but also preserve precious earnings in hard currency.

IV

The three-pronged policy to rebuild Egypt's economy on solid foundations has one object in view: to raise the standard of living among the masses of the people. The Egyptian peasant is no longer the virtual serf of big landowners, but his own master. The agrarian reform program has resulted in a substantial incerase in his real income. The Egyptian worker is also getting a new deal. In many cases his wages are determined by joint committees, including representatives of management, labor and government. Wages vary according to many factors, including the kind of work, the workers' family status, and the area in which he works, but in all cases his wages are made as high as the interests of industrial expansion allow.

To promote the welfare of the masses, the Government undertook a vast program of social services. About $200 million is allocated in the current budget for projects for social reform. Social-welfare units are being established in the rural areas, each unit to serve 15,000 inhabitants, and to include a school, a health center, and a social-agricultural extension section. Our effort is to provide all rural districts with social services in the next 5 years; 200 centers were opened in 1954. By the end of the 10 years required for completion of our most ambitious scheme, Sadd el'Ali, we believe we shall have more than doubled Egypt's national income, with a corresponding increase in the nation's standard of living. Incidentally, in one step to help remedy the social stratification which has split Egyptian society into hostile camps, titles, and honors—princes, pashars, and beys, marks of a privileged class—were abolished.

These, then, are the aims of the revolution: to end the exploitation of people, to realize national aspirations and to develop the mature political consciousness that is an indispensable preliminary for a sound democracy. The revolution seeks to bridge the gulf between social classes and to foster the spirit of altruism which marks a cultivated individual and a cohesive group. Our ultimate aim is to provide Egypt with a truly democratic and representative government, not the type of parliamentary dictatorship which the palace and a corrupt "pasha" class imposed on the people. In the past, parliament was a body for blocking social improvement. We want to make sure that in the future the senators and deputies will serve all the Egyptians rather than a few.

To achieve these aims, the standard of living of the masses must be raised, education expanded and social consciousness developed throughout the land so that the people will understand the duties and privileges of citizenship. The nation must also be provided with a constitution that safeguards the interests of all groups. During the past year a commission composed of leaders in different fields of life in Egypt, and representative of the different faiths—Christianity, Judaism, and Islam—has been drafting our new constitution.

As we plan for the future, we have also had to clean out the corrupt past, especially the subversive or reactionary groups which have spread their tentacles wide in the land. The greatest internal enemies of the people are the Communists who serve foreign rulers, the Moslem Brotherhood which still seeks rule by assassination in an era that has outlived such practices, and the old-time politicians who would like to reestablish exploitation.

Reactionary religious groups such as the Moslem Brotherhood are neither genuinely political nor genuinely religious. Their ultimate aim is power and to realize it they adopt methods contrary to the spirit of Islam and the spirit of the age. Islam derives from a comprehensive philosophy which never fails to accommodate various human feelings and aspirations. In this sense it is not only humanitarian but elastic and tolerant. It has its ubiquitous principles—applicable to time and place and mindful of the rights of man. It condemns intolerance, terrorism, prejudices and organized hatred. Its teachings form the core of true democracy.

We are proud that our revolution has been bloodless. We have rid ourselves of corrupt politicians, a corrupt king and an out-moded monarchy without loss of life. We have had to impose restrictions to prevent enemies of the people from exploiting the people and poisoning their minds. But if we have had to exercise our authority, it has been in order to pave the way for a better life for the men and women of our country. We want to lift these restrictions as soon as we feel the people are no longer in danger from such groups—and the sooner that time comes the better so far as we are concerned.

V

A closing word about Egypt's foreign relations: despite all reports to the contrary by enemies of the Arab world, the Arab League is a reality. There are social and economic differences between one Arab nation and another, just as there are, for example, among the nations of the Western European Union, but by the same token we have more in common than the various European nations which hope to work together. The nations of the Arab League believe that they can unite in a force that contributes to the cause of world peace.

Efforts to unite have been blocked, to some extent, by local differences and dynastic rivalries, and to a greater extent by outside forces conspiring against us. But the league can be made the instrument through which a greater unity can be achieved among the Arab nations in every field of activity. Its member states can form an effective force for the defense of this area. Throughout the negotiations for the evacuation of British troops from the Suez Canal, the Government of Egypt has pointed out that this evacuation will not create a military vacuum in the Middle East but will pave the way for strengthening the area's defenses.

The defense of the Middle East must rest primarily with the inhabitants of the area. No outside forces can defend this soil as effectively as the people who live here. That is why Egypt has made every effort to strengthen the Arab League's Collective Security Pact. It is the best possible system to defend our part of the world against any possible aggression.

Over a century ago, Egypt with less than half her present population, had an army of more than 200,000. There is no reason why the 70 million Arabs could not build up an army of several divisions for the defense of their lands. Our countries possess great potential wealth, not to speak of the oil for which our deserts are famous. Those of our Arab brethren who have been given the chance of education have proved to be no less capable than any other people in the world. We still lack development, but industrialization will increase our capabilities.

In the meantime, we believe that all those more developed powers who believe in peace should and will help us to strengthen ourselves against aggression. Starting with the collective security pact as the basis for our own defense, we can consider—once it has been adequately implemented—coordinating our defense plans with those of any other nation interested in defense against aggression in this area.

The objection has often been made that if the Arabs were to receive military assistance they would immediately attack Israel. Egyptians feel that a great injustice was committed against the Arabs generally, and especially against the million or more Palestinian Arabs who are now refugees. Israel's policy is aggressive and expansionist, and Israel will continue her attempts to prevent any strengthening of the area. However, we do not want to start any conflict. War has no place in the constructive policy which we have designed to improve the lot of our people. We have much to do in Egypt, and the rest of the Arab world has much to do. A war would cause us to lose, rather than gain, much of what we seek to achieve.

In other quarters there has been talk of Communist infiltration in the various Arab and African nationalist movements. It would be unwise for the United States to take that view of nationalist activities, led by sincere patriots whose only desire is to see their nations free from foreign domination. Americans recognize this to be the inalienable right of every man, yet balk at supporting these nationalists for fear of annoying some colonial power that has refused to move with the times. It is this procrastination that gives the Communists the chance to take over what usually start as genuinely patriotic movements. Such was the case of Indochina.

There would not be any Communist infiltration in any part of the Middle East and Africa if the United States could develop a courageous policy, and the only morally correct one, of supporting those who are anxious to get rid of foreign domination and exploitation. Real independence would be the greatest defense against Communist, or any other type of infiltration or aggression. Freemen are the most fanatical defenders of their liberty, nor do they lightly forget those who have championed their struggle for independence.

ADMITTANCE OF U. S. S. R. NATIONALS AS TEMPORARY VISITORS TO PROMOTE THE CAUSE OF WORLD PEACE

The SPEAKER. Under previous order of the House, the gentleman from Missouri [Mr. CARNAHAN] is recognized for 5 minutes.

Mr. CARNAHAN. Mr. Speaker, I have today introduced H. R. 7575, to promote the cause of world peace by authorizing for a limited period the admission as temporary visitors to the United States of a limited number of nationals of the Union of Soviet Socialist Republics and certain satellite countries to become acquainted with the American people and the American way of life, and for other purposes. This bill is substantially similar to H. R. 5764, 82d Congress, 1st session, which I introduced on October 17, 1951.

As chairman of the Subcommittee on International Organizations and Movements of the House Foreign Affairs Committee, I feel it is especially fitting and timely to introduce such a measure now. All of us have followed the press accounts of the Four Power meeting at the summit in Geneva, which was concluded on Saturday afternoon. While it is of course too early to judge at this time whether or not the apparent relaxing of tensions evident at the Conference will permeate the meeting of the foreign ministers next fall in Geneva, nevertheless it may be stated that the United States has again, as it has done previously many times, made it clear to the whole world that we as a people and as a Government are anxious to work out

through peaceful means the solutions to peace. In this respect I am particularly pleased that the President in Geneva outlined as one of the three steps the great powers could take the lowering of the barriers that impede the flow of information and ideas among peoples.

This is precisely the spirit of H. R. 7575 which I have today introduced, and of its predecessor, H. R. 5764, which I introduced during the 82d Congress.

Specifically, the bill would authorize the President to enter into agreements with the U. S. S. R. and its satellites to admit nationals of those countries into the United States and, reciprocally, to admit United States nationals into those countries, as temporary visitors, for the purposes of travel and study. The persons selected must be representative of the occupations, professions, and skills of the particular country of which they are nationals. The total number of such nationals is not to exceed 300 for the year, or 25 individuals per month, beginning 3 months following the enactment of the bill. Each individual selected would be admitted into the United States as a temporary visitor for not to exceed 2 months, and his cost of transportation and maintenance, not to exceed $2,000, will be borne by the United States.

I want to stress that this bill will not grant any blanket authorization but is limited to a period of 1 year beginning 3 months after the enactment of this bill. This will give us ample time to measure the success of the undertaking. Should it prove to be successful, and I have every confidence that it will be, I will introduce legislation to continue the program.

I believe firmly that one of the great causes of the distrust and ill will which the Soviet and Iron Curtain country nationals bear toward the United States is due in large measure to the lack of adequate and objective accounts in Communist newspapers and other publications concerning the United States and its people. Peoples behind the Iron Curtain have a twisted and distorted version of Americans. In part, they have been led to such a conception by deliberate official propaganda and, in part, they have this notion out of sheer ignorance.

We are now acting as host to a number of Russian farmers and agriculturists who are visiting farms and other agricultural facilities in our country, spending considerable time in the great State of Iowa. This visit is being widely heralded in the newspapers and magazines of our country. At the same time, the U. S. S. R. is serving as host to a number of farmers from the United States. I feel confident that such reciprocal visits can do much to dispel the erroneous concept which the Soviets and the satellite nationals have of us. While I do not for one moment feel that the Soviet has changed its fundamental objectives, I do feel that greater people-to-people contact between the people of the Soviet Union and the satellites on the one side and the people of the United States on the other will serve as a great source of information concerning the true nature of the American people.

Mr. Speaker, the people of the United States are proud of their traditions and their way of life. We have nothing to hide, and we are anxious for people everywhere to see us as we are, not as we are often misrepresented to be.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. FERNÓS-ISERN.

Mr. REUSS and to include extraneous matter.

Mr. ROOSEVELT and to include extraneous matter.

Mr. HILL.

Mr. ENGLE and to include extraneous matter.

Mr. MASON and to include an editorial.

Mr. ROONEY (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. HÉBERT and to include an editorial.

Mr. HAYS of Arkansas and to include extraneous matter.

Mr. WILLIAMS of New Jersey in four instances and to include extraneous matter.

Mr. THOMSON of Wyoming in one instance and to include extraneous matter.

Mr. DAWSON of Utah and to include extraneous matter.

Mr. CANFIELD in three instances and to include extraneous matter.

Mr. SMITH of Kansas in one instance and to include extraneous matter.

Mr. HAND and to include extraneous matter.

Mr. ALGER and to include extraneous matter.

Mr. WRIGHT and to include extraneous matter.

Mr. COLE notwithstanding it exceeds the limit and is estimated by the Public Printer to cost $293.34.

Mr. BRAY.

Mr. DIXON.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HILLINGS (at the request of Mr. ARENDS), on account of official business, from July 25 to 30, inclusive.

Mr. KRUEGER (at the request of Mr. LOVRE), indefinitely, on account of illness.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 19. An act for the relief of Vladimir Landow and Irina Landow; to the Committee on the Judiciary.

S. 189. An act for the relief of Manuel Rodrigues; to the Committee on the Judiciary.

S. 194. An act for the relief of Dr. and Mrs. Hsi-Lin Tung; to the Committee on the Judiciary.

S. 204. An act for the relief of Fred P. Hines; to the Committee on the Judiciary.

S. 213. An act for the relief of Mrs. Ingeborg C. Karde; to the Committee on the Judiciary.

S. 218. An act for the relief of the town of Clayton, N. Mex.; to the Committee on the Judiciary.

S. 223. An act for the relief of Mary Frieda Poeltl Smith; to the Committee on the Judiciary.

S. 235. An act for the relief of Melanie Schaffner Baker; to the Committee on the Judiciary.

S. 293. An act for the relief of Miss Cecile Patricia Chapman; to the Committee on the Judiciary.

S. 332. An act for the relief of Hava Shpak, A. A. Shpak, and Sympcha Shpak; to the Committee on the Judiciary.

S. 393. An act for the relief of Chieko Suzuki; to the Committee on the Judiciary.

S. 411. An act for the relief of Beri Denovi; to the Committee on the Judiciary.

S. 425. An act for the relief of Anthony A. Ballora; to the Committee on the Judiciary.

S. 509. An act for the relief of Dolores Maria Gandiaga, nee Seijo; to the Committee on the Judiciary.

S. 518. An act for the relief of Elsa Alwine Larsen; to the Committee on the Judiciary.

S. 592. An act for the relief of Chia-Yi Jen (also known as Charles Jen); to the Committee on the Judiciary.

S. 608. An act for the relief of Catherine Samouris; to the Committee on the Judiciary.

S. 610. An act for the relief of Mary Ishii; to the Committee on the Judiciary.

S. 695. An act for the relief of Cirilo Jose; to the Committee on the Judiciary.

S. 696. An act for the relief of Topacio Tapawan; to the Committee on the Judiciary.

S. 753. An act for the relief of George Roland Lavoie; to the Committee on the Judiciary.

S. 762. An act for the relief of Vaclav Majer, Irma Majer, and Vaclav Majer, Jr.; to the Committee on the Judiciary.

S. 763. An act for the relief of Chocura Yoshida; to the Committee on the Judiciary.

S. 836. An act for the relief of Wong Nan Ling and Wong Nan Fee; to the Committee on the Judiciary.

S. 843. An act for the relief of Gerda Graupner; to the Committee on the Judiciary.

S. 884. An act for the relief of Gabor Lanyi; to the Committee on the Judiciary.

S. 893. An act for the relief of Dr. Klaus Hergt; to the Committee on the Judiciary.

S. 910. An act for the relief of Lino Perez Martinez; to the Committee on the Judiciary.

S. 963. An act for the relief of Mr. and Mrs. Andrej (Avram) Gottlieb; to the Committee on the Judiciary.

S. 997. An act to provide punishment for certain confidence game swindles; to the Committee on the Judiciary.

S. 1012. An act for the relief of Juan Jose Moya Ramirez; to the Committee on the Judiciary.

S. 1036. An act for the relief of Gust Kostas Kountoupis; to the Committee on the Judiciary.

S. 1042. An act for the relief of Angel Feratero Madayag; to the Committee on the Judiciary.

S. 1068. An act for the relief of Mareanthe Baicou; to the Committee on the Judiciary.

S. 1082. An act for the relief of Ramon Notario Boytell; to the Committee on the Judiciary.

S. 1085. An act for the relief of Maria de las Nieves Dufurrena; to the Committee on the Judiciary.

S. 1128. An act for the relief of Angel Castanedo Del Llano; to the Committee on the Judiciary.

S. 1130. An act for the relief of Theresa Yik Mun Woo; to the Committee on the Judiciary.

S. 1142. An act for the relief of Arthur Sew Sang, Kee Sew Wong, Sew Ing Lin, Sew Ing Quay, and Sew Ing You; to the Committee on the Judiciary.

S. 1212. An act for the relief of Dr. Lincoln Roy Manson-Hing; to the Committee on the Judiciary.

S. 1253. An act for the relief of Peter Skole; to the Committee on the Judiciary.

S. 1266. An act for the relief of Helene Margareta Jobst; to the Committee on the Judiciary.

S. 1298. An act for the relief of Pericles G. Callimanopoulos and his family; to the Committee on the Judiciary.

S. 1322. An act for the relief of Maria Ioannou Karvelis and her three minor daughters, Martha Karvelis, Boeleta Karvelis, and Euterpi Karvelis; to the Committee on the Judiciary.

S. 1406. An act for the relief of Katharina Steinbach; to the Committee on the Judiciary.

S. 1417. An act for the relief of Hong Ban, also known as George Mon; to the Committee on the Judiciary.

S. 1438. An act for the relief of Corazon A. Manayan; to the Committee on the Judiciary.

S. 1474. An act for the relief of Valdis Mikelsons; to the Committee on the Judiciary.

S. 1477. An act for the relief of Clorinda Perri Sturino; to the Committee on the Judiciary.

S. 1493. An act for the relief of Dorin Ursulesku Baron; to the Committee on the Judiciary.

S. 1496. An act for the relief of Ruriko Hara; to the Committee on the Judiciary.

S. 1503. An act for the relief of Harold George Jackson; to the Committee on the Judiciary.

S. 1504. An act for the relief of Yee Loy Foo, also known as Loy Foo Yee, or Ted Yee; to the Committee on the Judiciary.

S. 1534. An act to facilitate the construction of drainage works and other minor items on Federal reclamation and like projects; to the Committee on Appropriations.

S. 1563. An act for the relief of Elidora Yanguas Perez; to the Committee on the Judiciary.

S. 1612. An act for the relief of Miss Young Hi Yun; to the Committee on the Judiciary.

S. 1615. An act for the relief of Hilde Schiller; to the Committee on the Judiciary.

S. 1621. An act to authorize adjustment by the Secretary of Agriculture of certain obligations of settlers on projects developed or subject to the act of August 11, 1939, as amended, and for other purposes; to the Committee on Agriculture.

S. 1681. An act for the relief of Cecile Doriac and her minor child; to the Committee on the Judiciary.

S. 1716. An act for the relief of Cheuk Wa Leung and his wife, Camilla Ying Ling Leung; to the Committee on the Judiciary.

S. 1851. An act to direct the Secretary of the Army to convey certain land to Mary Ann Aust; to the Committee on Public Works.

S. 1899. An act to authorize the improvement of the Amite River and its tributaries; to the Committee on Public Works.

S. 1915. An act to provide for further effectuating the act of May 15, 1862, through the exchange of employees of the United States Department of Agriculture and employees of State political subdivisions or educational institutions; to the Committee on Agriculture.

S. 1974. An act for the relief of Rosa Birger; to the Committee on the Judiciary.

S. 2029. An act to change the name of Hulah Reservoir above Hulah Dam, Caney River, Oklahoma and Kansas, to Lake O' the Osages; to the Committee on Public Works.

S. 2049. An act to provide recognition of the 50th anniversary of the Devils Tower National Monument, Wyoming, the first national monument established by the President of the United States pursuant to the antiquities Act of 1906; to authorize the addition of certain land to the monument, to permit land exchanges, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 2093. An act to authorize the Secretary of the Army, acting through the Corps of Engineers, to undertake certain public works and grant compensation for certain property damages as a result of the construction of the Oahe, Gavins Point, and Fort Randall Dams and Reservoir projects, Missouri River; to the Committee on Public Works.

S. 2145. An act for the relief of George Poulio; to the Committee on the Judiciary.

S. 2260. An act granting the consent of Congress to the States of Arkansas, Louisiana, Oklahoma, and Texas to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Red River and its tributaries; to the Committee on Interior and Insular Affairs.

S. 2269. An act for the relief of Mualla S. Holloway; to the Committee on the Judiciary.

S. 2270. An act for the relief of Nadia Noland and Samia Ouafa Noland; to the Committee on the Judiciary.

S. 2277. An act authorizing the Administrator of General Services to convey certain land to the city of Sioux Falls, S. Dak., for park and recreational purposes, for an amount equal to the cost to the United States of acquiring such lands from the city; to the Committee on Government Operations.

S. 2295. An act to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments to the Committee on Agriculture.

S. 2296. An act to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments; to the Committee on Agriculture.

S. 2297. An act to further amend the Agricultural Adjustment Act of 1938, and for other purposes; to the Committee on Agriculture.

S. J. Res. 73. Joint resolution to establish a commission to formulate plans for a memorial to Franklin Delano Roosevelt; to the Committee on House Administration.

ENROLLED BILLS SIGNED

Mr. BURLESON, 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. 473. An act to authorize an investigation and report on the advisability of a national monument in Brooklyn, N. Y.;

H. R. 605. An act to provide for the abolition of the 80-rod reserved spaces between claims on shore waters in Alaska, and for other purposes;

H. R. 914. An act for the relief of Erika Marie Dietl and her two children, Caroline Dietl and Robert Dietl;

H. R. 932. An act for the relief of Ludwika Hedy Hancock (nee Nikolajewicz);

H. R. 1180. An act for the relief of Kimiko Sueta Thompson;

H. R. 1185. An act for the relief of Jose Domingo Quintanar;

H. R. 1302. An act for the relief of Adelheid Walla Spring;

H. R. 1304. An act for the relief of Mother Amata (Maria Cartiglia), Sister Ottavia (Concetta Zisa), Sister Giovina (Rosina Vitale), and Sister Olga (Calogera Zeffro);

H. R. 1435. An act for the relief of Paul Compagnino;

H. R. 1436. An act for the relief of Ervin Benedikt;

H. R. 1439. An act for the relief of Menachem Hersz Kalisz;

H. R. 1458. An act for the relief of Rosa Edith Manns Monroe;

H. R. 1486. An act for the relief of Anna Anita Hildegard Sparwasser;

H. R. 1508. An act for the relief of Mrs. Mary Perouz Derderian Donaldson;

H. R. 1537. An act for the relief of Rogerio Santana de Franca;

H. R. 1668. An act for the relief of Frank Budman;

H. R. 1698. An act for the relief of Anne Cheng;

H. R. 1911. An act for the relief of Charlotte Schwaim;

H. R. 1927. An act for the relief of Ralph Michael Owens;

H. R. 1987. An act for the relief of Kimie Hayashi Crandall.

H. R. 1997. An act for the relief of Linda Beryl San Filippo;

H. R. 2059. An act for the relief of Edward Patrick Cloonan;

H. R. 2070. An act for the relief of Dr. Carlos Recio and his wife, Francisca Marco Palomero de Recio;

H. R. 2078. An act for the relief of Salvatore Cannizzo;

H. R. 2241. An act for the relief of Amalia Bertolino Querio;

H. R. 2242. An act for the relief of Kim Joong Yoon;

H. R. 2259. An act for the relief of Alessandra Barile Altobelli;

H. R. 2306. An act for the relief of Maria de Rehbinder;

H. R. 2307. An act for the relief of Julius, Ilona, and Henry Flehner;

H. R. 2313. An act for the relief of Mrs. Agnethe Gundhil Sundby;

H. R. 2315. An act for the relief of Antonio (Orejel) Cardenas;

H. R. 2735. An act for the relief of Inako Yokoo and her minor child;

H. R. 2738. An act for the relief of Teresa Jurjevic;

H. R. 2749. An act for the relief of George Risto Divitkos;

H. R. 2866. An act to declare a certain portion of the waterway (a section of the Acushnet River) in the city of New Bedford and the towns of Fairhaven and Acushnet, Mass., a nonnavigable stream;

H. R. 3281. An act for the relief of Herbert Roscoe Martin;

H. R. 3359. An act for the relief of Raymond George Palmer;

H. R. 4001. An act to provide for the management and disposition of certain public domain lands in the State of Oklahoma; and

H. R. 4147. An act for the relief of Angelo De Vito.

The Speaker anounced his signature to enrolled bills of the Senate of the following titles:

S. 741. An act to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 5 years;

S. 1177. An act for the relief of desert land entrymen whose entries are dependent upon percolating waters for reclamation; and

S. 1855. An act to amend the Federal Airport Act, as amended.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on July 22, 1955 present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 65. An act to revise the boundary between the second and fourth judicial divisions of Alaska;

H. R. 897. An act to provide preference right to certain land in Alaska to Robert

Henry Soyk of Kenai, Alaska, and for other purposes;

H. R. 896. An act to provide preference right to certain land in Alaska to Joseph Booth of Anchorage, Alaska, and for other purposes;

H. R. 902. An act to provide preference right to certain land in Alaska to Patrick Harold Johnson of Anchor Point, Alaska, and for other purposes;

H. R. 904. An act to provide preference right to certain land in Alaska to Bert Arthur Paraday of Anchor Point, Alaska, and for other purposes;

H. R. 905. An act to provide preference right to certain land in Alaska to Carl E. Robinson of Anchor Point, Alaska, and for other purposes;

H. R. 962. An act for the relief of Maria Louise Andreis;

H. R. 1044. An act for the relief of Teresa Alice Townsend;

H. R. 1155. An act for the relief of Solomon Wiesel;

H. R. 1245. An act for relief of Marianne Anita Zelinka;

H. R. 1275. An act for the relief of Gennaro Savarese;

H. R. 1333. An act for the relief of Ebolya Wolf;

H. R. 1463. An act for the relief of Rudolfo M. Gomez (Capaz);

H. R. 1538. An act for the relief of Jean Isabel Hay Watts;

H. R. 1540. An act for the relief of Mrs. Joan Craig Newell;

H. R. 1541. An act for the relief of Mrs. Maria Dicran Simon;

H. R. 1549. An act for the relief of Salvacion Carbon;

H. R. 1551. An act for the relief of Gualberto Estralla Alabastro, Pura Zarco Alabastro, and Arlene Alabastro.;

H. R. 1648. An act for the relief of Sister Luiga Pellegrino, Sister Angelina Nicastro, and Sister Luigina Di Martino;

H. R. 1661. An act for the relief of Kim Dong Su;

H. R. 1693. An act for the relief of Barbara Knape;

H. R. 1750. An act for the relief of Elena Gigliotti;

H. R. 1801. An act to authorize the purchase, sale, and exchange of certain Indian lands on the Yakima Indian Reservation, and for other purposes;

H. R. 1802. An act to authorize the leasing of certain lands of the Yakima Tribe to the State of Washington for historical and for park purposes;

H. R. 1868. An act for the relief of Ernest Tomassich and Yoko Matsuo Tomassich;

H. R. 1883. An act for the relief of Margarete Gartner;

H. R. 1929. An act for the relief of Eufemia Bencich;

H. R. 1954. An act for the relief of Ingrid Samson;

H. R. 2073. An act for the relief of Bengt Wikstam;

H. R. 2274. An act for the relief of Alejandro Florentine Munoz;

H. R. 2353. An act for the relief of John Odabashian, doctor of medicine;

H. R. 2406. An act to amend subsection (e) of section 1 of title 5 of the District of Columbia Revenue Act of 1937, as amended;

H. R. 2495. An act for the relief of Antoni Rajkowski;

H. R. 2721. An act for the relief of Hihai Indig;

H. R. 2724. An act for the relief of Miss Elvira Bortolin;

H. R. 2756. An act for the relief of Frank Scriver;

H. R. 2911. An act for the relief of Max Steinsapir;

H. R. 2925. An act for the relief of Carmelo Rodriguez Perez, also known as Carmelo Rodriguez Fenald;

H. R. 2929. An act for the relief of Lazara Camargo Bernoudy;

H. R. 3071. An act for the relief of Eleanor Ramos;

H. R. 3123. An act to modify the acts of August 12, 1935 (49 Stat. 571, 584), May 15, 1936 (49 Stat. 1274), July 1, 1946 (60 Stat. 357), August 8, 1946 (60 Stat. 923), and June 30, 1947 (61 Stat. 211), with respect to the recoupment of certain public school construction costs, and to amend the act of August 17, 1950 (64 Stat. 459), relating to the expenditure of funds for cooperating with the public school board of Walker, Minn.;

H. R. 3193. An act for the relief of Evelyn Hardy Waters;

H. R. 3253. An act to amend section 6 of Public Law 874, 81st Congress, so as to provide for the continued operation of certain schools on military installations;

H. R. 3560. An act to provide for the relief of certain members of the Army, Navy, and Air Force, and for other purposes;

H. R. 3853. An act for the relief of Guadalupe Zuniga (also known as Benita Chaparrao-Venegas or Guadalupe Acosta);

H. R. 3972. An act for the relief of Anthonius Marinus Kronenburg;

H. R. 4225. An act authorizing the Administrator of Veterans' Affairs to convey certain property of the United States to the city of North Little Rock, Ark.;

H. R. 4245. An act for the relief of Mrs. Esther Rodriguez de Uribe;

H. R. 4367. An act to provide for the distribution of funds belonging to the members of the Creek Nation of Indians, and for other purposes;

H. R. 4753. An act to amend subsection (e) (1) of section 13A of the Subversive Activities Control Act of 1950 to change from 2 years to 3 years the standard contained therein with respect to the past affiliations of individuals conducting the management of certain organizations;

H. R. 4894. An act to repeal certain laws relating to timber and stone on the public domain;

H. R. 5046. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1956, and for other purposes;

H. R. 5559. An act to extend for a period of 2 years the privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad;

H. R. 6059. Relating to revisions of the executive agreement concerning trade and related matters entered into by the President of the United States and the President of the Philippines on July 4, 1946;

H. R. 6086. An act for the relief of certain relatives of United States citizens or lawfully resident aliens;

H. R. 6331. An act authorizing the Territory of Hawaii, through its duly designated officers and boards, to negotiate a compromise agreement, exchange with, sell, or lease to the owners of certain shorelands, certain tidelands, both in the Territory of Hawaii, and to make covenants with such owners, in settlement of certain damage claims, and for a conveyance of littoral rights;

H. R. 6796. An act to provide for the conveyance to the city of Clarksburg, W. Va., of certain property which was donated for use in connection with a veterans' hospital, and which is not being so used; and

H. J. Res. 256. Joint resolution providing for an objective, thorough, and nationwide analysis and reevaluation of the human and economic problems of mental illness, and for other purposes.

ADJOURNMENT

Mr. BAILEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 31 minutes p. m.) the House adjourned until tomorrow, Tuesday, July 26, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1014. A letter from the Acting Secretary of the Treasury, transmitting a report covering claims paid during the 6-month period ending June 30, 1955, on account of the correction of military records of Coast Guard personnel, pursuant to section 207 (e) of the Legislative Reorganization Act of 1946, as amended by Public Law 220, 82d Congress (5 U. S. C. 275 (e)); to the Committee on Armed Services.

1015. A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to establish a date of rank for pay purposes for certain Naval Reserve officers promoted to the grades of lieutenant and lieutenant commander"; to the Committee on Armed Services.

1016. A letter from the Secretary of the Army, relative to three resolutions unanimously adopted by the Ryukyuan Legislature on March 4 and 5, 1955, and forwarded pursuant to the request of that body; to the Committee on Armed Services.

1017. A letter from the Director, Legislative Liaison, Department of the Air Force, transmitting a quarterly report relative to the number of officers assigned or detailed to permanent duty in the executive element of the Air Force at the seat of the Government, pursuant to section 201 (c) of the Air Force Organization Act of 1951 (Public Law 150, 82d Cong.); to the Committee on Armed Services.

1018. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation entitled "A bill to increase the borrowing power of Commodity Credit Corporation"; to the Committee on Banking and Currency.

1019. A letter from the Director, Office of Defense Mobilization, Executive Office of the President, transmitting the report on borrowing authority for the quarter ending March 31, 1955, pursuant to section 304 (b) of the Defense Production Act as amended; to the Committee on Banking and Currency.

1020. A letter from the Assistant Secretary of the Interior, transmitting a report concerning progress in meeting certain conditions precedent to constructing the Santa Margarita project, California, pursuant to section 7 of the act of July 28, 1954 (68 Stat. 575, 578); to the Committee on Interior and Insular Affairs.

1021. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to authorize medals and decorations for outstanding and meritorious conduct and service in the United States merchant marine, to repeal certain obsolete laws, and for other purposes"; to the Committee on Merchant Marine and Fisheries.

1022. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to amend title II of the Merchant Marine Act, 1936, as amended, to provide for filing vessel utilization and performance reports by operators of vessels in the foreign commerce of the United States"; to the Committee on Merchant Marine and Fisheries.

1023. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to amend title VII of the Merchant Marine Act, 1936, as amended, to provide for experimental operation and testing of vessels owned by the United States"; to the Committee on Merchant Marine and Fisheries.

1024. A letter from the Secretary of the Army, transmitting a report of claims paid by the Department of the Army for the fiscal year 1955, pursuant to section 2673 of the Federal Tort Claims Act as amended and

codified (28 U. S. C.); to the Committee on the Judiciary.

1025. A letter from the Secretary of the Army, transmitting a report of claims settled by the Department of the Army for the fiscal year 1955, pursuant to section 1 (e) of Public Law 439, 82d Congress, approved July 3, 1952; to the Committee on the Judiciary.

1026. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, relative to the case of Aleksander Villem Tuum, A-8091339, involving the provisions of section 4 of the Displaced Persons Act of 1948, as amended, and requesting that the case be withdrawn from those now before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1027. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 13, 1955, submitting a report, together with accompanying papers, on a review of reports on Big (Great) Chazy River, N. Y., requested by a resolution of the Committee on Public Works, House of Representatives, adopted on July 6, 1949; to the Committee on Public Works.

1028. A letter from the Acting Secretary of the Treasury, transmitting the Annual Report of the Federal Bureau of Narcotics for the calendar year ended December 31, 1954, pursuant to section 1 of the act of June 14, 1930; to the Committee on Ways and Means.

1029. A letter from the Acting Secretary, Department of Health, Education, and Welfare, transmitting a report on the minimum benefit under old-age and survivors insurance, pursuant to section 404 of the Social Security Act Amendments of 1954 (Public Law 761, 83d Cong.); to the Committee on Ways and Means.

1030. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of July 21, 1955, the following bills were reported on July 22, 1955:

Mr. BLATNICK: Committee on Public Works. H. R. 2552. A bill to authorize the modification of the existing project for the Great Lakes connecting channels above Lake Erie; with amendments (Rept. No. 1344). Referred to the Committee of the Whole House on the State of the Union.

Mr. KEAN: Committee on Ways and Means. H. R. 6263. A bill to amend section 1233 of the Internal Revenue Code of 1954 and section 117 (l) of the Internal Revenue Code of 1939; with amendments (Rept. No. 1345). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'BRIEN of Illinois: Committee on Ways and Means. H. R. 6728. A bill to provide for carryback and carryover of foreign tax credit; with amendments (Rept. No. 1346). Referred to the Committee of the Whole House on the State of the Union.

Mr. KING of California: Committee on Ways and Means. H. R. 7018. A bill to authorize subpenas in connection with the enforcement of the narcotic laws, and for other purposes; without amendment (Rept. No. 1347). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 7030. A bill to amend and extend the Sugar Act of 1948, as amended, and for other purposes; with amendment (Rept. No. 1348). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. S. 1189. An act to permit national banks to make 20-year real-estate loans, 9-month residential construction loans, and 18-month commercial construction loans; with amendments (Rept. No. 1349). Referred to the House Calendar.

Mr. SPENCE: Committee on Banking and Currency. S. 2127. An act to amend the Small Business Act of 1953; with amendments (Rept. No. 1350). Referred to the Committee of the Whole House on the State of the Union.

Under clause 2 of rule XIII, pursuant to the order of the House of July 21, 1955, the following bills were reported on July 23, 1955:

Mr. BYRNES of Wisconsin: Committee on Ways and Means. H. R. 257. A bill to amend section 112 (n) (8) of the Internal Revenue Code of 1939 to provide that in certain cases of a sale or exchange of a taxpayer's residence, certain periods of limitation shall not run against the taxpayer while he is on extended active duty in the Armed Forces; without amendment (Rept. No. 1352). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOGGS: Committee on Ways and Means. H. R. 2553. A bill to amend section 502 (f) of the Internal Revenue Code of 1939, as amended by section 223 of the Revenue Act of 1950, relating to the use of corporation property by a shareholder; with amendment (Rept. No. 1353). Referred to the Committee of the Whole House on the State of the Union.

Mr. KEOGH: Committee on Ways and Means. H. R. 4394. A bill to amend section 3401 of the Internal Revenue Code of 1954; with amendment (Rept. No. 1354). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H. R. 7064. A bill to amend section 421 (a) of the Internal Revenue Code of 1954 to extend the period for exercise of restricted stock options after termination of employment; with an amendment (Rept. No. 1355). Referred to the Committee of the Whole House on the State of the Union.

Mr. HERLONG: Committee on Ways and Means. H. R. 7282. A bill relating to the allowance of the credits for dividends received, for dividends paid, and for a Western Hemisphere trade corporation in computing the alternative tax of a corporation with respect to its capital gains; with amendment (Rept. No. 1356). Referred to the Committee of the Whole House on the State of the Union.

Mr. IKARD: Committee on Ways and Means. H. R. 7300. A bill to amend the Internal Revenue Code of 1954 with respect to the tax treatment of income received from patent infringement suits; with amendment (Rept. No. 1357). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted July 25, 1955*]

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. COOLEY: Committee on Agriculture. H. R. 6846. A bill to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments; with amendment (Rept. No. 1358). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H R. 6847. A bill to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments; without amendment (Rept. No. 1359). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 6845. A bill to further amend the Agricultural Adjustment Act of 1938, and for other purposes; without amendment (Rept. No. 1360). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 7302. A bill to amend the rice marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; without amendment (Rept. No. 1361). Referred to the Committee of the Whole House on the State of the Union.

Mr. HYDE: Committee on the Judiciary. H. R. 6888. A bill to amend the Act of September 3, 1954, and to facilitate the entry of skilled specialists chargeable to the quota for Spain; with amendment (Rept. No. 1362). Referred to the Committee of the Whole House on the State of the Union.

Mr. WALTER: Committee on the Judiciary. H. R. 7500. A bill to establish a Commission and Advisory Committee on International Rules of Judicial Procedure; without amendment (Rept. No. 1363). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIVERS: Committee on Armed Services. House Joint Resolution 261. Joint resolution authorizing the Secretary of the Army to make such donations as may be available to The Citadel, Charleston, S. C.; with amendment (Rept. No. 1364). Referred to the Committee of the Whole House on the State of the Union.

Mr. WALTER: Committee on Un-American Activities. S. 2375. An act to provide for 5-year terms of office for members of the Subversive Activities Control Board with 1 of such terms expiring in each calendar year; without amendment (Rept. No. 1394). Referred to the Committee of the Whole House on the State of the Union.

Mr. BUCKLEY: Committee on Public Works. H. R. 6769. A bill to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended; without amendment (Rept. No. 1395). Referred to the Committee of the Whole House on the State of the Union.

Mr. REED of Illinois: Committee on the Judiciary. H. R. 5130. A bill to amend title 28 of the United States Code so as to eliminate the separate divisions within the judicial district of Nebraska; with amendment (Rept. No. 1396). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H. R. 7379. A bill to amend title 14, United States Code, so as to provide for compensatory absence of Coast Guard military personnel serving at isolated aids to navigation, and for other purposes; with amendment (Rept. No. 1397). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Commitee on Merchant Marine and Fisheries. H. R. 7471. A bill to provide for the conveyance of certain lands of the United States to the Board of Commissioners of St. Johns County, Fla.; with amendment (Rept. No. 1398). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'BRIEN of New York: Committee on Interior and Insular Affairs. H. R. 6376. A bill to provide for the hospitalization and care of the mentally ill of Alaska, and for other purposes; with amendment (Rept. No. 1399). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAVIS of Tennessee: Committee on Public Works. H. R. 6102. A bill to change the name of Garza-Little Elm Dam, located in Denton County, Tex., to Lewisville Dam; without amendment (Rept. No. 1400). Referred to the House Calendar.

Mr. DAVIS of Tennessee: Committee on Public Works. H. R. 6961. A bill to designate the lake created by Buford Dam in the

State of Georgia as "Lake Sidney Lanier"; without amendment (Rept. No. 1401). Referred to the House Calendar.

Mr. DEMPSEY: Joint Committee on Atomic Energy. H. R. 7576. A bill to facilitate the establishment of local self-government at the communities of Oak Ridge, Tenn., and Richland, Wash., and to provide for the disposal of federally owned properties of such communities; without amendment (Rept. No. 1402). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLLING: Committee on Rules. House Resolution 314. Resolution for consideration of H. R. 7474, a bill to amend and supplement the Federal Aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to authorize appropriations for continuing the construction of highways, and for other purposes; without amendment (Rept. No. 1403). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of July 21, 1955, the following joint resolution was reported on July 22, 1955:

Mr. SPENCE: Committee on Banking and Currency. House Joint Resolution 278. Joint resolution to provide that a gold medal be coined and presented to Dr. Jonas E. Salk in honor of his achievements in the field of medicine; without amendment (Rept. No. 1351). Referred to the Committee of the Whole House.

[Submitted July 25, 1955]

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. FEIGHAN: Committee on the Judiciary. H. R. 930. A bill for the relief of John Daniel Popa; without amendment (Rept. No. 1365). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the judiciary. H. R. 944. A bill for the relief of Nicola Teodosio; with amendment (Rept. No. 1366). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1232. A bill for the relief of Salvador, Mercedes, and Miguel Chofre; without amendment (Rept. No. 1367). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 1235. A bill for the relief of Vera Gregovich Kenter; with amendment (Rept. No. 1368). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 1402. A bill for the relief of Santiago Gonzalez Trigo; with amendment (Rept. No. 1369). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1410. A bill for the relief of Giacomo Scano, Giovanna Scano, Guido Scano, and Valerio Scano; with amendment (Rept. No. 1370). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 1492. A bill for the relief of Krsevan Spanjol; without amendment (Rept. No. 1371). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 1920. A bill for the relief of Ane Karlic Vlasich; without amendment (Rept. No. 1372). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1923. A bill for the relief of Kevin Murphy; without amendment (Rept. No. 1373). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 2285. A bill for the relief of Marie Lim Tsien; without amendment (Rept. No. 1374). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 2345. A bill for the relief of Jean Henri Buchet; with amendment (Rept. No. 1375). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 2347. A bill for the relief of Heinrich Wolfgang; without amendment (Rept. No. 1376). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 2704. A bill for the relief of Kazuko Iwata Rausch; without amendment (Rept. No. 1377). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 3057. A bill for the relief of Dr. Bienvenido L. Balingit; without amendment (Rept. No. 1378). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 3201. A bill for the relief of George Mikroulis, his wife, Dora Mikroulis, and his daughter, Madonna G. Mikroulis; with amendment (Rept. No. 1379). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 3527. A bill for the relief of Josef and Perla Natanson; without amendment (Rept. 1380). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 3869. A bill for the relief of Esther Ledea Escobedo; with amendment (Rept. No. 1381). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 3963. A bill for the relief of Ashot Mnatzakanian and Ophelia Mnatzakanian; without amendment (Rept. No. 1382). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 3965. A bill for the relief of Max Moskowitz; with amendment (Rept. No. 1383). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 4025. A bill for the relief of Mrs. Donald A. Howard (nee Miss Elsa Ursula Kuchinke); with amendment (Rept. No. 1384). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 4544. A bill for the relief of Andrew Carrigan; without amendment (Rept. No. 1385). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 4548. A bill for the relief of Michele Pica; without amendment (Rept. No. 1386). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 4643. A bill for the relief of Mrs. Lee Shee Yee (also known as Lee Lai Koon); without amendment (Rept. No. 1387). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 5074. A bill for the relief of Miss Bianca Lina Rionegro; with amendment (Rept. No. 1388). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 5079. A bill for the relief of Tom Wong (Foo Tai Nam); without amendment (Rept. No. 1389). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 5082. A bill for the relief of Mrs. Koto Nakagawa; without amendment (Rept. No. 1390). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 5869. A bill for the relief of Andreas (or Andrew) Voutsinas; with amendment (Rept. No. 1391). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 5870. A bill for the relief of Jesajahu Braun; without amendment (Rept. No. 1392). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 7197. A bill for the relief of Mrs. Mary Christine Dowdy; without amendment (Rept. No. 1393). 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. ABERNETHY:

H. R. 7547. A bill to extend the death benefits of the Federal Employees Compensation Act to the dependents of certain Reserve members of the Navy, Marine Corps, and Coast Guard; to the Committee on Education and Labor.

By Mr. BALDWIN:

H. R. 7548. A bill to authorize the construction of additional works for the extension of the Contra Costa Canal, a feature of the Central Valley project, California; to the Committee on Interior and Insular Affairs.

By Mr. BENTLEY:

H. R. 7549. A bill to liberalize the definition of "widow of a World War I veteran" for purposes of Veterans' Administration laws, and to provide that remarried widows may return to the compensation rolls upon termination of their remarriage by divorce without fault on the part of the wife, or by death; to the Committee on Veterans' Affairs.

By Mr. BYRNES of Wisconsin:

H. R. 7550. A bill granting the consent and approval of Congress to a Great Lakes Basin compact and for related purposes; to the Committee on Foreign Affairs.

By Mr. DOYLE:

H. R. 7551. A bill to provide that certain suits arising out of the Emergency Price Control Act of 1942 shall be forever barred unless brought before the expiration of 1 year after the date of enactment of this act; to the Committee on Banking and Currency.

By Mrs. FARRINGTON:

H. R. 7552. A bill to amend sections 220 and 221 (d) of the Hawaiian Homes Commission Act, 1920; to the Committee on Interior and Insular Affairs.

By Mr. FLOOD:

H. R. 7553. A bill to authorize, for a 2-year period, the purchase by the Government of anthracite in amounts sufficient to maintain normal production and employment in the anthracite region, to promote the general national welfare, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HAYWORTH:

H. R. 7554. A bill to promote the common defense and the general welfare of the people of the United States by encouraging maximum development of low-cost electric energy from all sources of power, including atomic energy, coal, oil, natural gas, and water, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HOLIFIELD:

H. R. 7555. A bill to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. HOPE:

H. R. 7556. A bill to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. HOSMER:

H. R. 7557. A bill to authorize an extension of the Los Angeles and Long Beach Harbors breakwater; to the Committee on Public Works.

H. R. 7558. A bill to make certain changes in the administration of the Panama Canal Company, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. HOSMER (by request):

H. R. 7559. A bill to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon claims of immigration officers and employees of the Immigration and Naturalization Service to extra compensation for Sunday, holiday, and overtime services performed after March 2, 1931, and not heretofore paid in accordance with existing law; to the Committee on the Judiciary.

By Mr. KEAN:

H. R. 7560. A bill to amend an act entitled "An act to provide for the sale of the Port Newark Army Base to the city of Newark, N. J., and for other purposes," approved June 20, 1936, as amended; to the Committee on Armed Services.

By Mr. LOVRE:

H. R. 7561. A bill to authorize the Secretary of the Army, acting through the Corps of Engineers, to undertake certain public works and grant compensation for certain property damages as a result of the construction of the Oahe, Gavins Point, and Fort Randall Dams and Reservoir projects, Missouri River; to the Committee on Public Works.

By Mr. McDONOUGH:

H. R. 7562. A bill to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. McMILLAN:

H. R. 7563. A bill to permit the Public Utilities Commission of the District of Columbia to put into effect for a temporary period certain emergency rate increases; to the Committee on the District of Columbia.

By Mr. MILLER of California:

H. R. 7564. A bill to make certain changes in the administration of the Panama Canal Company, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H. R. 7565. A bill to give military status and grant discharges to the members of the Russian Railway Service Corps organized by the War Department under the authority of the President of the United States for service during the war with Germany; to the Committee on Armed Services.

By Mr. PELLY:

H. R. 7566. A bill to amend the Internal Revenue Codes to make it clear that the taxes on transportation of persons and property do not apply to ferry service provided by State-operated ferryboats; to the Committee on Ways and Means.

By Mr. POWELL:

H. R. 7567. A bill to extend the Civil Service Retirement Act of May 29, 1930, to certain employees of the Panama Canal Company and the Canal Zone Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. REUSS:

H. R. 7568. A bill to amend the Immigration and Nationality Act to extend to certain additional aliens in the United States the right to secure permanent residence, through an adjustment of their status, without leaving the country; to the Committee on the Judiciary.

By Mr. SMITH of Mississippi:

H. R. 7569. A bill to amend the Veterans' Readjustment Assistance Act of 1952 to provide education and training rights for persons who enlisted in the Armed Forces of the United States during January 1955, but who were not on active duty on January 31, 1955; to the Committee on Veterans' Affairs.

H. R. 7570. A bill authorizing the Secretary of the Interior to make a comprehensive survey and study of the ground-water resources of the Mississippi Valley embayment area; to the Committee on Interior and Insular Affairs.

By Mr. THOMPSON of New Jersey:

H. R. 7571. A bill to amend an act entitled "An act to provide for the sale of the Port Newark Army Base to the city of Newark, N. J., and for other purposes," approved June 20, 1936, as amended; to the Committee on Armed Services.

By Mr. UTT:

H. R. 7572. A bill to authorize an extension of the Los Angeles and Long Beach Harbors breakwater; to the Committee on Public Works.

H. R. 7573. A bill to authorize the construction of shore protective works in the vicinity of Oceanside, Calif.; to the Committee on Public Works.

H. R. 7574. A bill making emergency appropriations for the construction of works for protection against beach erosion at Oceanside, San Diego County, Calif.; to the Committee on Appropriations.

By Mr. CARNAHAN:

H. R. 7575. A bill to promote the cause of world peace by authorizing for a limited period the admission as temporary visitors to the United States of a limited number of nationals of the Union of Soviet Socialist Republics and certain satellite countries to become acquainted with the American people and the American way of life, and for other purposes; to the Committee on Foreign Affairs.

By Mr. DEMPSEY:

H. R. 7576. A bill to facilitate the establishment of local self-government at the communities of Oak Ridge, Tenn., and Richland, Wash., and to provide for the disposal of federally owned properties of such communities; to the Joint Committee on Atomic Energy.

By Mr. DAVIS of Tennessee:

H. R. 7577. A bill to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. FASCELL:

H. R. 7578. A bill to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. MOULDER:

H. R. 7579. A bill to establish a conclusive presumption of service connection in the case of the death of any individual who has been rated by the Veterans' Administration for 10 or more years as totally disabled from active tuberculosis; to the Committee on Veterans' Affairs.

Br. Mr. PILCHER (by request):

H. R. 7580. A bill to provide a basis for awarding compensation to members of the National Guard for disability incurred in line of duty; to the Committee on Veterans' Affairs.

By Mr. ABBITT:

H. J. Res. 398. Joint resolution directing a study and report by the Administrator of the Agricultural Research Service of the Department of Agriculture proposing an expansion of the tobacco production, utilization, and marketing research program, with primary emphasis on basic research; to the Committee on Agriculture.

By Mr. MILLER of California:

H. J. Res. 399. Joint resolution to encourage and foster the cooperation of private and State historical commissions with the National Historical Publications Commission; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Florida memorializing the President and the Congress of the United States to enact such legislation, or propose such amendments to the Constitution of the United States, or both, as may be designed and calculated to enable the sovereign States to continue to control and supervise the education of their peoples under such systems as they may see fit, including a segregated system; to the Committee on the Judiciary.

Also, a memorial of the Legislature of the State of Pennsylvania memorializing the President and the Congress of the United States relative to requesting that the Members of the Congress participate in the observance on Monday morning, July 4, 1955, from Independence Hall in the city of Philadelphia; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BYRD:

H. R. 7581. A bill for the relief of Hildegard Giglberger; to the Committee on the Judiciary.

By Mr. FINE:

H. R. 7582. A bill for the relief of Patrick Joseph Connaughton; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 7583. A bill for the relief of Mary Viola Jones; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 7584. A bill for the relief of Isidoro Heredia Ruiz; to the Committee on the Judiciary.

By Mr. MILLER of California:

H. R. 7585. A bill for the relief of Hardy Vandal Hansen; to the Committee on the Judiciary.

By Mr. RILEY:

H. R. 7586. A bill for the relief of Cecile Angele Chaffoo; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 7587. A bill for the relief of Abram van Heynigen Hartendorp; to the Committee on the Judiciary.

By Mr. SCHENCK:

H. R. 7588. A bill for the relief of Jane Edith Thomas; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H. R. 7589. A bill for the relief of Michajlo Hawryskewycz; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 7590. A bill for the relief of Rafael Diaz-Gallegos; to the Committee on the Judiciary.

H. R. 7591. A bill for the relief of Mrs. Alicia Romero de Ramirez; to the Committee on the Judiciary.

H. R. 7592. A bill for the relief of Juan Perez-Ramirez; to the Committee on the Judiciary.

By Mr. WAINWRIGHT:

H. R. 7593. A bill for the relief of Gertraud Anna Giulio; to the Committee on the Judiciary.

H. R. 7594. A bill for the relief of Mary Margaret Watson; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

The Colorado River Storage Project

EXTENSION OF REMARKS
OF
HON. E. KEITH THOMSON
OF WYOMING
IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1955

Mr. THOMSON of Wyoming. Mr. Speaker, I believe the best method of determining if an expenditure of public funds is justified is to analyze the benefits to be derived and to measure them against the total expenditure involved. In the case of the Colorado River storage project, the benefits far exceed the total cost. In a 50-year period following the last power installation, irrigation revenues from the irrigation projects, plus net power revenues from the power facilities to be authorized by H. R. 3383 will have repaid the investment in construction cost plus interest on the power features even during construction and leave a surplus of about $86 million. In addition, after the project has paid for itself, net power revenues amounting to from $15 million to $20 million annually will continue to flow into the Treasury. That, to me, means that the Colorado storage project is a sound investment for the people of the United States and that it is financially feasible from every standpoint.

However, there have been a number of unfair attacks on the project, and I would like to put the record straight on one of these distorted criticisms. The attack to which I have reference originated with Leslie A. Miller, and I feel it necessary to answer it not only because of its inaccuracies, but because Mr. Miller is a resident of my State. I do not want people to think that Mr. Miller speaks for the rest of the citizens of Wyoming. He most emphatically does not.

Like other opponents of this project, Mr. Miller ignores this fundamental fact: The project is self-liquidating. Documents show that the cost will be repaid to the Government, much of it with interest, by the people of the area to benefit directly from the project.

Mr. Miller errs when he says the project will not provide the needed water and power for industrial uses. The project specifically provides for full use of the water and the power for industries and cities. A specific assignment for these purposes was made after careful and comprehensive surveys of the potential needs. If cities need even more water in the future, they have the right to it under western water law. So this is not a matter of shutting the municipal and industrial users out of the picture. It is the only way to provide them with a guaranty of adequate water. A study of the project will show that this is a major purpose, and the cities and industries of the West are well aware of it.

Also, Mr. Miller gives an erroneous impression when he lists the portion of the cost the water users will pay and states, "The balance will be subsidized by the Federal Government." Actually, the balance—that which is not paid for by the water user—will be paid for by the power user. Power is a natural byproduct of the project.

Mr. Miller implies that the use of sprinkling systems for irrigating farmland is a substitute for the project. We are not arguing the merits of various ways of putting the water to use; our problem is to get the water in the first place.

Mr. Miller writes only about those items he hopes will justify his conclusion, refusing to examine the project as the package that it is. He makes as a prime example of the weaknesses of the overall project the La Plata unit in New Mexico. This particular unit is not included as an authorized project in the bill that passed the Senate in April, nor is it listed as a project subject to future approval, nor is it included in the bill now before the House in any form.

To be able to decide whether the project is strong or weak, one must look at all aspects. The bill which was approved by the House Interior and Insular Affairs Committee in June 1955 authorizes 3 major dams and 11 participating units at a total cost of $760 million, and of this total, 61 percent will pay full interest.

The project will pay for itself within 50 years. This is no theory. It has been documented and detailed by engineers, scientists, and economists, and a study of hearings before the Senate Interior Committee this year will bear this out.

This same plan has worked time and time again in the United States, and the taxpayers and the people of the nation are the ultimate beneficiaries.

Where Mr. Miller and his friends fail to do the project justice is in their attack on isolated units, or the use of arithmetic trickery, to justify a predetermined opinion. They are too busy looking at the trees to see the forest.

Attacks on reclamation and the Colorado River storage project overlook these factors:

First. In addition to repaying its total cost, the project will eventually return a profit to the treasury of several millions annually, from the sale of power produced by the project.

Second. All power and municipal features of the project pay full 2½ percent interest.

Third. Tax revenues and other benefits will far exceed the total cost and the cost of interest-free money.

Fourth. The project greatly benefits industries and cities, and not just users of irrigation water.

Fifth. Water resources development creates wealth and income.

Sixth. The total wealth and income created are vastly greater than either the real costs or the money costs, and tax revenues on the wealth and income created eventually more than offset the money costs.

Seventh. The Colorado River region, as a major resource of the Nation, must fully be developed for reasons of maximum resource utilization and for long range national defense purposes.

Eighth. The western States are great contributors to the United States Treasury and to the reclamation fund itself by royalties from oil and minerals found in these States.

In regard to the latter point, income from these minerals is divided 37½ percent to the State where the mineral is produced, 10 percent to the Treasury of the United States, and 52½ percent to the reclamation fund for the benefit of the Western States.

My State of Wyoming alone has paid more than $200 million to the Treasury in this manner. By the time the bill comes due for the Colorado River storage project, my State alone will have paid into the Treasury enough to assume the entire cost of the project. Yet, we are criticized by advocating developments that put this money to use.

The United States is the landlord in my State and in other States concerned directly with the Colorado River project. The Government owns more than 51 percent of the area of my State. It owns the oil and other minerals under 44 million of Wyoming's 62 million acres. This actually deprives our State of needed tax revenue sources and of income. That is one reason we feel justified in encouraging the Federal Government to participate in a project that will be a sound investment from a tax standpoint.

The history of water resources development is a history of accomplishment, of wealth creation. In the reclamation phase of such development, expenditures since 1902 of less than $3 billion has provided irrigation water and facilities to more than 7 million acres of land. This has been the basis for the transformation of relatively valueless land into highly productive valuable farms. The land has produced almost $10 billion in crop values. Net revenues from power generation on the projects total approximately one-fourth of $1 billion. Municipalities have been provided water supplies, and vast areas have been protected from the ravages of floods.

When Mr. Miller discusses the irrigation costs of the Colorado project his basic figures are as much in error as his basic premises.

He arbitrarily uses an estimated irrigation construction cost of $1,000 per acre. This is way out of line with the actual facts of the matter. The average cost per acre served is $545—not $1,000.

Admittedly, this is more than the land would sell for today without the water. But it is a feasible and practical figure when its long-term use and repayment is considered. Repayment over a 60-year period makes the annual water cost

about $8, which in terms of added wealth provided, is a great bargain.

Also, it should be kept in mind that the Federal Government is not being asked to shoulder this cost. It is an expense that will be borne by the water user and those who will benefit from the Colorado project.

Mr. Miller condemns the project because the land to be irrigated lies at high elevations. But he completely ignores the point that water will produce more calories of food per unit of water consumed at these elevations than at low elevations such as Imperial Valley, Calif.

Mr. Miller opposes reclamation of more land to provide food for the Nation's booming population. He says present farm acreage can handle the extra demand by 1975 through paying proper attention to new techniques and fertilizers and more efficient machinery.

This view is in direct contradiction to 3 Government studies which set the 1975 population of the United States at from 190 to 210 million. These three studies are: First, report by Byron Shaw, Administrator, Agricultural Research Service, 1953; second, the President's Water Policy Commission, 1952; and third, policy study of material resources, 1953.

To provide food at present diet standards will require 30 million new acres in addition to all the increases in production that can be obtained through scientific improvements.

The items now in surplus generally are not those that will be produced in the upper Colorado River Basin. Also, it will take perhaps a quarter of a century before the land is put to full use—and by then we will be facing a food shortage rather than a food surplus.

Is it any wonder there is no worry about having too much food a quarter of a century from now?

Of course, irrigation of farmland is only one benefit to come from the project.

One of the most important uses of water is for industrial development. In 1954, the Bureau of Mines listed 42 metals and minerals of strategic and economic importance found in substantial quantity in the upper Colorado River Basin. Considering proven reserves, their their value as raw material was estimated at $1,123 million. The Colorado Plateau accounts for nearly all of the Nation's current production of uranium, and one-third of the Nation's copper.

But water and power must be available in dependable quantities and at reasonable cost on a permanently assured basis. Water and power are essential ingredients for the mining, smelting, refining, and processing of these vital natural resources which are not readily available elsewhere. Right now, there is a shortage of uranium-processing mills, largely because of a lack of water to supply these mills.

The project will provide the water and power for mining and industrial development, and in so doing will add wealth to the Nation at the same time will bolster our national defense. Uranium royalties alone return millions of dollars every year to the United States Treasury.

This summer, many communities are rationing water for domestic uses. Denver has such a rationing program in effect, and so do other cities. This project will provide the water needed in these communities, and the cities, of course, will pay for it—and with full interest.

The project pays for itself in many, many ways. It is a great investment for the Nation from every standpoint and should, I believe, be authorized now, with construction to begin immediately. The Nation will benefit and so will the taxpayer. I urge my colleagues to give this project, as outlined in H. R. 3383, their full support.

The Upper Colorado River Storage Project

EXTENSION OF REMARKS
OF
HON. WILLIAM A. DAWSON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1955

Mr. DAWSON of Utah. Mr. Speaker, never has any reclamation project been subjected to as much vilification and misrepresentation as has the upper Colorado River storage project. At the expense of hundreds of thousands of dollars, opponents of this project have deluged our offices with propaganda alleging—among other things—that the project will be a burden on the residents of other States in the Nation. This is false. The cost of the upper Colorado River project will be repaid by the residents of the four States directly benefitting from its construction—New Mexico, Utah, Colorado, and Wyoming. Each unit of the project will be repaid within a 50-year period after full development. The power and municipal water features of the project will be repaid with interest.

It is because this project is repayable within the limits set by the reclamation law that it has the full support of President Eisenhower. Those opposing the project would have the people believe that the President of the United States was advocating something that would increase their taxes by $4 billion. This is not so. The money is repaid to the Treasury and repaid by the people in Utah, Colorado, New Mexico, and Wyoming. The rest of the Nation shares in the additional wealth produced as water is saved from waste and put to domestic, industrial, and agricultural use.

Each Member of Congress should ask himself why this project—more than any in history—has been subjected to such a distorted national campaign of opposition. What is there about this project that makes it the target of calumny?

The answer is readily available. The source of the propaganda and opposition wealth is southern California.

Southern California's interest in the project is economic. As long as our water wastes into the sea, industry in southern California benefits from the purchase of firm power at dump power rates of 1.47 mill per kilowatt-hour. Depending upon the flow of the river, this power generated by upper basin water, is worth between $2 million and $4 million per year. The contracts for this power all have a clause cancelling them when the upper basin starts to use its water. To protect these contracts and, in protecting them, to steal our water is the sole purpose of southern California's opposition.

Statements that this project would add to the tax burden of residents in other States of the Nation are as false and fantastic as the accusation that we in the West want to grow bananas on Pike's Peak. We want our water in order that we can continue to grow. This priceless resource should not be wasted to furnish subsidized power to a few favored industries in southern California and to grow cotton in Mexico.

Need for an Adequate Highway Program—No. 1

EXTENSION OF REMARKS
OF
HON. HARRISON A. WILLIAMS, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1955

Mr. WILLIAMS of New Jersey. Mr. Speaker, the need for an adequate highway program in the United States is recognized by everyone. The highway problem is particularly acute in areas of concentrated population and in corridor States such as New Jersey. While New Jersey ranks eighth in population and eighth in motor vehicle registration, it ranks first in density of traffic. In fact, the density of traffic is 7½ times the national average. This places a tremendous burden on the State to provide adequate highway facilities.

Therefore, it seems appropriate to me that because of the vast magnitude of traffic coming from outside the State—200 million motor vehicles cross the State borders annually—a substantial contribution to the State's highway needs should come from the Federal Government.

In line with this thought, I sent a statement to some of the leading people in my district on the highway question. Under unanimous consent, I include my statement and some of the answers I received for the information of my colleagues in considering the highway bill which has just been reported.

The statement and letters follow:

STATEMENT OF CONGRESSMAN HARRISON A. WILLIAMS, JR., DEMOCRAT, NEW JERSEY

While New Jersey ranks 45th in size in the Nation, eighth in population and eighth in motor vehicle registration, it ranks first in density of traffic. The New Jersey problem is multiplied in Union County, which is a corridor in a corridor State. The density of traffic in Union County is over 7½ times the national average.

The facilities for handling this traffic, particularly on U. S. 1 and U. S. 22, are inade-

quate today—constituting not only a source of constant frustration and delay, but even more important, an extreme safety hazard. This problem will get worse rather than better, since it is clear that the number of automobiles on the highways will vastly expand in the future. The tremenodus output of the automobile industry this year, breaking all previous records, is but one indication of the scope and magnitude which this problem will assume in the near future.

For some time a subcommittee of the governors' conference has been studying this problem. In addition, a presidential commission headed by General Clay has also looked into ways and means of meeting this problem. Their reports have now been published. The Clay report outlines a 10-year program of Federal assistance to the States in modernizing and expanding our highway facilities. The recommendations of this report, as contained in legislation sponsored by the administration, emphasize the need of an interlocking system of national highways to carry the burden of city-to-city traffic, which is the major problem we face today and will face in the future, in terms of traffic density.

The plan proposed by the administration has one serious drawback, which is its financing provision. Financing of the program would be handled by a Federal highway corporation which would be established to sell bonds. This feature has two drawbacks: first, it hides the indebtedness of the National Government from the budget; and, second, it would involve a good deal of interest payment over the long pull.

Nevertheless, it is clear that the President's program—which I hope will be improved upon with regard to its financing provisions—offers the best hope for solving the highway problem, particularly in areas of concentrated density such as Union County. In all probability, under this plan very substantial assistance would be available to improve upon or build alternate superhighways for routes U. S. 1 and 22.

Under the Clay program, New Jersey's share of Federal funds each year for a 10-year period would be $141,900,000, with the State contributing $11,200,000, making a total expenditure per year for the State of New Jersey of $153,100,000, exclusive of other funds not contained in the Federal aid system. Of this total, 60 percent would be required for the modernization of three Federal interstate routes, including U. S. 1 and 22.

In addition, there is a proposal being advanced by Senator GORE and others in the Senate for a 5-year plan which has serious drawbacks in terms of the needs of New Jersey. First of all, it falls far short of the goal of providing adequate highways; and, secondly, it does not emphasize to nearly the same extent as the President's program the development of adequate and safe interstate highways. Under the Gore plan, New Jersey would receive $54 million of Federal funds each year for 5 years, as against $141,900,000 each year for 10 years under the President's recommendations. New Jersey's contribution under the Clay plan would be $11,200,000 per year, and $8,100,000 a year under the Gore proposal. I am informed by the State Highway Commissioner that New Jersey would be unable to meet the requirements of the Gore plan and at the same time provide for reconstruction, maintenance and relocation of routes not under the Federal aid system but still vital to the needs of the State.

Therefore, it seems clear to me that given the tremendous needs for highway development now and in the future, we in New Jersey particularly would be better served should a plan close to the President's proposal be adopted. I have already publicly mentioned my support of this proposal, with the reservation that I would like to see the financing provision improved.

It seems apparent to me that New Jersey should justifiably receive substantial Federal aid in maintaining a highway system which carries such a large proportion of traffic from other States. Taxpayers from other States who use the New Jersey highways to such a great degree should contribute to the maintenance of these highways through the means of Federal assistance.

MOORE CHEVROLET CO.,
Elizabeth, N. J., May 27, 1955.

Hon. HARRISON A. WILLIAMS, Jr.,
Congress of the United States,
House of Representatives,
Washington, D. C.

DEAR MR. WILLIAMS: Recently you expressed your desire to hear my viewpoint regarding the present national problem of highway construction.

In reading over your statement as to the solution of this problem, I cannot but help agree with you wholeheartedly.

Union County, small as it is, has a serious problem with its own internal traffic due to its large population and industrial concentration; but when the flow of traffic from U. S. Highways No. 1 and No. 22 is added, the problem becomes unduly severe.

It must be remembered these two highways are two of the main arteries into New York City, yet Union County suffers the weight of this out-of-State traffic. In addition, Elizabeth has already been penalized by the New Jersey Turnpike, which bisects its eastern region. This area is already showing signs of rapid deterioration due to this bisection.

I certainly hope you will use your utmost powers to further the highway construction program and with particular emphasis on Union County receiving its share of this financial assistance.

Sincerely yours,

MARTIN J. MOORE,
President.

ELIZABETH MOTORS, INC.,
Elizabeth, N. J., May 27, 1955.

The Honorable HARRISON A. WILLIAMS, Jr.

DEAR SIR: Having carefully read your statement on the highway question, we desire to go on record as being in full accord with your position. Definite steps must be taken soon to relieve present highway conditions, and Federal assistance seems to be the solution.

I am glad to see your interest in the program which, in my opinion, is of vital importance and should not be delayed any longer. There is, in my opinion, sufficient tax money derived from automobiles and gasoline, etc., to take care of this problem adequately.

I shall be glad to render any assistance if called upon to do so.

Respectfully yours,

ELIZABETH MOTORS, INC.,
B. W. SCHONINGER.

SUMMIT AREA CHAMBER OF COMMERCE,
Summit, N. J., June 10, 1955.

The Honorable HARRISON A. WILLIAMS, Jr.,

DEAR CONGRESSMAN WILLIAMS: I have given your letter dated May 23, with which you enclosed a statement regarding the problem of highway traffic, considerable thought.

Chambers of commerce have, as a rule, opposed any increase in Government control over projects normally operated by the individual States.

I realize that New Jersey's problem is somewhat different since it is a corridor State and has, accordingly, a greater density of traffic. Because of these unusual conditions, perhaps we should accept some help from the Federal Government and, should this be done, the administration's plan seems the more practical, rather than that proposed by Senator GORE.

Thank you for giving me an opportunity to express my views on such a controversial subject.

Sincerely yours,

WM. RAE CRANE,
Executive Secretary.

PLAINFIELD LODGE, NO. 885,
BENEVOLENT AND PROTECTIVE
ORDER OF ELKS,
Plainfield, N. J.

The Honorable HARRISON A. WILLIAMS, Jr.,

DEAR CONGRESSMAN: It is with great interest to me that you are supporting the President's highway bill with reservations as to the financing.

With the growing demand for new highways and reconditioning of the older ones it is very necessary to get quick action for the bill passage.

Your suggestion as to financing is in complete accord with my opinion.

Here's to success in this problem, I am,

Sincerely yours,

JAMES A. REILLY, P. E. R.

Need for an Adequate Highway Program—No. 2

EXTENSION OF REMARKS
OF

HON. HARRISON A. WILLIAMS, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1955

Mr. WILLIAMS of New Jersey. Mr. Speaker, the highway legislation which is presently pending before the Congress has attracted widespread comment in the newspapers and elsewhere.

The need for an adequate highway program in New Jersey—not only now but in the future—is approaching staggering proportions.

I would like to call to the attention of the Congress the views of two leading New Jersey newspapers on the highway problem, as expressed in their editorial columns in May.

The editorials follow:

[From the Newark Star-Ledger of May 29, 1955]

THE MOST FOR OUR MONEY

The Democratic United States Senate has shelved the administration's highway program for one of its own, but the day may yet be saved by the House of Representatives. We hope so, for the administration plan is much, much better for New Jersey than the Democratic substitute.

A last-ditch fight will be needed in the House to win support for the administration program, developed by Gen. Lucius Clay. We trust that every one of New Jersey's congressional bloc, Democrat and Republican alike, will be lined up on the side that offers our State the most for its money.

The Democrats should not find the Eisenhower side too uncomfortable. Governor Meyner, a Democrat, has already endorsed the administration plan, because he recognizes how much better it is for the State than the Democratic program.

Here are the facts:

Administration plan: New Jersey would get $141,900,000 per year for 10 years. We will contribute $11,200,000 a year in addition, making a grand total of $153,100,000 a year for 10 years.

Democratic plan: New Jersey would get only $54 million a year, and for only 5 years. Our share would be $8,100,000 a year.

The Clay plan is obviously a much better deal for New Jersey. We would pay 3 times as much, but get more than 5 times as much in Federal aid.

These figures are stratospheric, of course, and it's a little hard to visualize just what all this means to us. You may get a better perspective on the terrible need for road construction and modernization in New Jersey when you realize that we are the first in traffic density in the entire Nation. It's no honor. It's a nuisance.

Our State is the carpet between that big city across the river and the rest of the United States of America.

Our traffic problem, as a result, is in reality the Nation's traffic problem. It is unfair and unrealistic to think that we should, or could, solve the Nation's problem by ourselves.

The Clay plan recognizes this reality. It offers New Jersey a substantial share of the Federal road-building program. It offers us enough money to make a significant and worthwhile contribution to solving our immense traffic headache.

The Democratic plan will not solve the problem. It will only ameliorate it. And that is not enough. Niggardliness in road-building usually ends up costing more money in the long run.

The future well-being of northern New Jersey rests largely on the success we have in eliminating the traffic problem. The New Jersey contingent in Congress should take the lead in persuading the House of Representatives to pass the administration's highway bill, and then in persuading the Senate to change its mind.

[From the Newark Evening News]

NEW JERSEY LEFT OUT

In a new and strange preoccupation with economy and the public debt, Senate Democrats, aided by a dozen Republicans, have defeated President Eisenhower's road-building program.

As a substitute the Senate offers the Gore bill. It doesn't come close to meeting national-defense needs for an interstate highway system and, comparatively, makes New Jersey a Federal orphan.

The Gore bill reduces the President's 10-year plan to 5, and Federal-State expenditures from $39,100,000,000 to $17,941,000,000. Reduction doesn't stop there.

Nearly $1½ billion had been earmarked for New Jersey under the administration bill at a matching cost to the State of approximately $112 million. By the terms of the Gore bill this grant becomes $260 million. And to qualify for this cut-rate aid, our State would have to contribute up to an estimated $100 million.

Under the President's proposal, New Jersey and other road-conscious States were to have been reimbursed for the millions spent on toll facilities such as Garden State Parkway and the State turnpike. There is every justification for such credits because parkway and turnpike form part of the interlocking system of transcontinental highways which the Eisenhower program is designed to create.

Governor Meyner 3 weeks ago refused to accept Democratic policy as promulgated by the Senate, and came out strongly for the President's plan. He appealed to the State's congressional delegation to do likewise, and has been joined publicly by a fellow Democrat, Representative WILLIAMS of the Sixth (Union County) District. Republican Senators CASE and SMITH both supported the shelved administration bill.

It may be said that New Jersey's stand is inspired by State interest. Frankly, it is; but in this case State interest coincides with the national interest that would have been served by the broader administration project.

This is more than can be said of the politics and sectional interest, such as the plea for farm-to-market roads, that went into the Senate's support of the Gore bill, with its emphasis on intrastate rather than interstate facilities. Moreover, as a corridor State, New Jersey bears a far greater burden of national traffic than the much-advertised bridge States of the West.

This State is not, of course, the only victim of the Gore bill. It discriminates as well against Connecticut, New York, Pennsylvania, Ohio, and other progressive States which have invested heavily in toll facilities to form a national road network. This fact doubtless will not escape representatives of the affected States when the Senate's poor substitute for a good road bill reaches the House.

Need for an Adequate Highway Program—No. 3

EXTENSION OF REMARKS

OF

HON. HARRISON A. WILLIAMS, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1955

Mr. WILLIAMS of New Jersey. Mr. Speaker, the highway problem is a matter of vital and continuing concern in the State of New Jersey. In the light of the highway bill which has now been approved by the Public Works Committee of the House, I would like to call to the attention of my colleagues two editorials from New Jersey newspapers which summarize much of the opinion on this subject which has been publicly expressed regularly during the past several weeks. It is particularly gratifying to note the job the Public Works Committee has done in working out an adequate highway program to meet the Nation's needs and at the same time provide a method of financing for consideration by the Congress which would not impose a staggering interest payment on the taxpayers of this country, as the plan proposed by the administration would do.

The editorials follow:

[From the Newark Star-Ledger of July 13, 1955]

SPECIAL INTERESTS

There is hope on the horizon again that we in New Jersey will get the Federal help we need to straighten out our highway problems.

The Senate scuttled President Eisenhower's road program, which would have given us enough money—$153 million a year for 10 years—to really do the job right. There were political considerations in killing the bill, of course, but there also were objections in principle to the way it was to be financed. The idea was to float bonds, thus keeping highway expenditures out of the budget. This was attacked as illegal. There was also the reasonable objection that too much money would have gone for interest on bonds instead of for building better roads.

The House is now considering a new financing plan, and it promises to revive the Eisenhower plan which New Jersey needs so much. The money would be raised by direct tax increases. The gasoline tax would go up a penny and there would be special levies on diesel fuel, trucks, and truck tires and tubes.

The special interests involved have already registered their protests. They are genuinely worried that these boosts may drive some firms out of business.

There is something to be said, however, for taxing those who are most directly benefited by the projects involved. Clearly, the people who use gasoline and tires and tubes and trucks gain more from better roads than the people who do not drive at all.

A compromise here might turn out to be the most effective solution. The public at large should also share the cost of road improvements, since the economy as a whole is so dependent on good transportation. Instead of raising all of the funds by direct road taxes, it might be more reasonable to raise half that way and take the rest out of the general tax fund.

[From the Newark Evening News of July 12, 1955]

REALISM ON ROADS

Former Governor Driscoll was at least being consistent when he reproved Republican State Chairman Bodine for praising Governor Meyner and New Jersey's Democratic delegation in the House of Representatives for supporting President Eisenhower's highway program.

Mr. Driscoll has long advocated the repeal of the Federal gasoline tax and the return of the whole roadbuilding job to the States. He argues that not only could they do it cheaper, but that many States, including New Jersey, pay more in gasoline taxes than they get back in Federal grants-in-aid.

Mr. Driscoll is not alone. Senator BYRD, of Virginia, is among many others who share his views. Theirs is a logical argument, but it has no chance of acceptance. Some States get back more than they contribute, and there are enough of these to prevent the abandonment of the Federal highway program. Governor Meyner agrees with Mr. Driscoll in theory, but looks at the facts realistically.

"Sure," he says, "I'd like to see the Federal gasoline tax abolished and returned to the States. But when there's no chance of this happening, let's jump in and get all we can."

Mr. Meyner favors the Eisenhower plan because, despite a proposed 1-cent increase in the Federal gasoline tax, New Jersey would, for once, get back more than it paid. In contrast, the Democratic alternative, embodied in the Gore bill, would greatly reduce the amount New Jersey would receive, while requiring it to put up far more in matching funds than it could afford.

Mr. Meyner is working for a compromise that would come closer to the Eisenhower program than either the Gore bill or a new plan just presented by the House Public Works Committee.

With a highway problem of staggering proportions, New Jersey cannot afford divided counsel or the pursuit of impracticable principle, either here or at Washington. Its representatives should agree on the most advantageous program that can win congressional approval and then back it with every bipartisan resource.

Need for an Adequate Highway Program—No. 4

EXTENSION OF REMARKS

OF

HON. HARRISON A. WILLIAMS, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1955

Mr. WILLIAMS of New Jersey. Mr. Speaker, under leave to extend my remarks, I include a number of communications I have received from constitu-

ents with regard to the so-called Fallon highway bill. Although they mention H. R. 7072, it is clear from the tenor of these comments that they support the revised version of the measure, which is now numbered H. R. 7474.

The letters follow:

ELIZABETH, N. J., *July 20, 1955.*

Hon. HARRISON A. WILLIAMS, Jr.,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN: I am indeed interested in bill H. R. 7072 which covers the method of financing a huge Federal highway construction program requiring the expenditure of approximately $3 billion a year for some years to come. As you undoubtedly know the purpose of the bill is to allocate on a fair basis among the users of the new highways, and consequently the bill provides for size-and-weight limitations on large vehicles as well as for certain taxes, primarily on large tires.

It is my considered opinion that the individual automobile owner (I am in this category) using the car primarily for a little pleasure and recreation should not be burdened with an excessive proportion of taxes, while heavy commercial vehicles might well continue to evade their proper assessments. I believe highway costs should be calibrated in ratio to use, and surely the heavy vehicles result in considerably more wear and tear.

Your full support of H. R. 7072 will be greatly appreciated.

Yours very truly,

ALBERT L. POSTLETHWAITE.

ELIZABETH, N. J., *July 21, 1955.*

Hon. HARRISON A. WILLIAMS, Jr.,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: Trust you will kindly give favorable consideration to the passage of bill H. R. 7072, which deals with the method of financing the huge Federal highway construction program.

In my opinion this bill contains legislation that will result in a fair distribution of the costs, and therefore would deeply appreciate your vote in favor of its passage.

Thanking you for your past considerations, beg to remain,

Very truly yours,

(Miss) MARY KIERNAN.

ROSELLE, N. J., *July 21, 1955.*

Hon. HARRISON A. WILLIAMS, JR.,
House Office Building, Washington, D. C.

DEAR CONGRESSMAN: Will you kindly give your most favorable consideration to the passage of bill H. R. 7072, with reference to financing the huge Federal highway-construction program.

As this bill contains legislation that will result in a fair distribution of the costs, would therefore greatly appreciate your vote in favor of its passage.

Thanking you for your past considerations, I remain,

Very truly yours,

Mrs. VERONICA AZZARA.

WESTFIELD, N. J., *July 19, 1955.*

The Honorable HARRISON A. WILLIAMS, JR.,
United States House of Representatives,
House Office Building,
Washington, D. C.

DEAR MR. WILLIAMS: As one of your constituents, and as a taxpayer vitally interested in seeing that the cost of our huge Federal highway program is distributed equitably among the several highway users—trucks, buses, and private automobiles—I urge you to support to the fullest extent H. R. 7072, which imposes taxes proportionate to highway use.

Sincerely,

NATHAN W. JAMES.

SUMMIT, N. J., *July 22, 1955.*

Hon. HARRISON WILLIAMS, JR.,
House Office Building, Washington, D. C.

DEAR SIR: As an ordinary motorist, I am interested in the highway-improvement legislation currently being considered by the Congress. Also, as such I am quite willing to pay my just proportion of the cost of these much-needed improvements on a pay-as-you-go basis to avoid further increase in the already too large public debt. I think that all other highway users should also pay their just proportion of these costs.

In my opinion the trucks and buses, which contribute so greatly to the congestion on our highways, are not and have never shared the cost of maintenance of present or construction of additional highways commensurate with their use of those facilities. I, therefore, strongly urge your support of H. R. 7072. The provisions of this bill, while falling short of equalizing the cost of highway maintenance and construction as between the private automobile and the trucks and buses, is at least a step in the right direction.

Yours truly,

P. V. WEBB.

PLAINFIELD, N. J., *July 20, 1955.*

Hon. HARRISON WILLIAMS, JR.,
Representative, Sixth District of New Jersey, House Office Building, Washington, D. C.

DEAR MR. WILLIAMS: I am very much in favor of passage of bill H. R. 7072, which deals with the method of financing the proposed Federal highway-construction program.

Being an individual automobile owner, I feel very deeply that costs of this huge program should be apportioned equitably.

Urge you to vote for passage of this bill.

Yours truly,

S. KURITSKY.

JULY 21, 1955.

Hon. HARRISON A. WILLIAMS, Jr.,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN WILLIAMS: We strongly urge you to support bill H. R. 7072, which provides for financing Federal highway construction by levying costs directly to those who will use such roads.

When we, as motorists, use these highways in the course of our travels, we would be happy to pay our way, but we do not favor being taxed indirectly through increased gasoline taxes or similar methods which might be proposed.

Yours very truly,

G. C. Wilms, Union, N. J.; Ward D. Ferguson, Union, N. J.; Fred H. Boehm, Roselle, N. J.; R. W. Baker, Cranford, N. J.; J. F. Anderson, Roselle, N. J.; Henry Schlaupitz, Roselle, N. J.; J. M. Palochak, Elizabeth, N. J.; Philip Cheetz, Elizabeth, N. J.; E. O. Dickinson, Elizabeth, N. J.; H. E. Whitener, Union, N. J.; A. J. Trusheim, Cranford, N. J.; G. A. Vogel, Scotch Plains, N. J.

ELIZABETH, N. J., *July 22, 1955.*

Representative HARRISON A. WILLIAMS,
House Office Building,
Washington, D. C.

DEAR SIR: I understand that the bill known as H. R. 7072, which deals with the method of financing a Federal highway-construction program calling for the expenditure of some $3 billion a year, has recently been reported out of committee for consideration on the floor of the House.

I wish you would throw the full weight of your support behind this bill which provides, I believe, for the apportionment of the costs in ratio to the use, wear, and tear on the highways.

Yours truly,

C. S. STRANG.

FANWOOD, N. J., *July 22, 1955.*

Hon. H. A. WILLIAMS, Jr.,
Washington, D. C.

DEAR SIR: I believe that highway costs should be apportioned in ratio to use, wear, and tear.

When H. R. 7072 is up for action please consider my comments.

Yours truly,

S. L. PACH.

ELIZABETH, N. J., *July 22, 1955.*

Representative HARRISON A. WILLIAMS, Jr.,
House Office Building,
Washington, D. C.

DEAR SIR: I wish you would give your full support to the bill known as H. R. 7072 which, I believe, deals with the method of financing a Federal highway-construction program calling for the expenditure of some $3 billion a year.

I believe that the provisions of this bill which call for size and weight limitations on large vehicles, as well as for certain taxes, are just and equitable.

Yours truly,

J. J. DUFFY.

JERSEY CENTRAL LINES,
New York, N. Y., July 22, 1955.

Hon. HARRISON A. WILLIAMS,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN WILLIAMS: I will very much appreciate your support for H. R. 7072, the bill which deals with the method of financing a huge Federal highway-construction program.

In my humble opinion this bill equitably and democratically distributes the financial responsibility in ratio to use.

Sincerely yours,

R. E. ROWLAND,
Industrial Agent.

WESTFIELD, N. J., *July 21, 1955.*

Representative HARRISON A. WILLIAMS, Jr.,
House of Representatives Building,
Washington, D. C.

HONORABLE SIR: Urge that you vote for bill H. R. 7072.

Respectfully,

FRANK V. MARTIN,

UNION, N. J., *July 20, 1955.*

Hon. HARRISON WILLIAMS, Jr.,
United States Congress,
Sixth District, New Jersey.

DEAR SIR: This is to let you know that as a private automobile owner I am interested in seeing to it that private automobile owners are not compelled to pay more than their fair share of highway maintenance cost.

Bill H. R. 7072, in my opinion, should prevent an undue proportion of taxes being saddled on private automobile owners, and therefore hope that you can give full measure of support to this bill.

Yours sincerely,

GEORGE H. MASSY.

Problems of Dairy Farmers

EXTENSION OF REMARKS
OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, July 25, 1955

Mr. WILEY. Mr. President, a few days ago from Elkhorn, Wis., I received a message from a man who works continually with the farmers.

He commented, as a great many other Wisconsinites have done, on the very difficult problems faced by Wisconsin dairymen these days.

He pointed out that farm prices—farm milk checks—are low, while farm costs are high. He wrote:

The cost of items necessary to carry on a farm operation, namely, labor, machinery, and supplies, are at an alltime high. The price of milk to the farmer is approximately 7 cents per quart. The consumer is paying up to 26 cents per quart, delivered. There is too much price spread.

This is the very grim situation which I pointed out in an address which I delivered by transcription last night over station WGN, Chicago, and which I have described here in the Senate time and time again, in requesting corrective action.

I ask unanimous consent that the text of this address be printed in the CONGRESSIONAL RECORD.

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

MEETING THE PROBLEMS OF AMERICAN DAIRYING—1955; A CONSTRUCTIVE 10-POINT PROGRAM

I would like to report to you on a great industry affecting every single American.

Yes, through the courtesy of station WGN, I would like to comment in detail on the problems of this industry—which affects you and me and 165 million other Americans. The industry I am referring to is the dairy industry of America.

Now, some city folks might not realize how crucially the dairy industry affects them.

But if they stop to think it over for a moment, even city folks who are listening to me tonight will realize that dairying—meaning the sale of milk, butter, cheese, nonfat dry milk solids, ice cream—is indispensable, in many ways, to this great Nation of ours.

And so I am going to answer some questions about our dairy industry—its past, present, and future.

DAIRYING—GREATEST SINGLE SOURCE OF CASH FARM INCOME

Question. First off, Senator WILEY, just how widespread is America's dairy industry in Wisconsin, Illinois, and elsewhere?

Answer. Well, a few facts will provide the answer. Last year the dairy farms of our country produced almost 124 billion pounds of milk. That means around 56 billion quarts.

To produce this vast supply of healthful milk, the dairy farms of America keep almost 25 million cows. Each of these cows turns out an average of 2,500 quarts of milk—a new record.

Question. How does dairying compare with other parts of American farming?

Answer. Dairying is the largest agricultural enterprise in America. It is the greatest single source of cash farm income. In other words, the health of the great farming segment of America depends on dairying.

Nearly $1 out of every $5 of all farm income comes from the sale of milk, and of dairy animals as beef.

TWO AND ONE-HALF MILLION UNITED STATES DAIRY FARMERS

There are dairymen in every State of the Union—about 2.5 million of them in all. They produce the milk which goes through more than 35,000 dairy plants and which comes out in bottles or as butter, cheese, ice cream, and other dairy foods.

There are around 10 million people employed—10 million people—in the dairy industry. And there are other millions building the machines and trucks and factories and other equipment needed to keep that river of milk flowing from the farms to the Nation's consumers.

WISCONSIN, AMERICA'S DAIRYLAND: NO. 1 IN THE NATION

Question. Senator WILEY, since you are the senior Senator of the greatest single dairy State in the Nation—Wisconsin—naturally your people have a special interest in the well-being of dairying.

Answer. That is absolutely right.

Wisconsin is America's Dairyland. Our 16½ billion pounds of milk production each year—our Wisconsin production of more than half of all of the cheese in the Nation—our top-quality dairy standards—our pioneering in dairy research—all this has rightly focused the attention of the entire country on Wisconsin dairying.

BADGER FARMERS CONCERNED ABOUT POOR RETURN

Question. Well, Senator WILEY, since Wisconsin farmers are the Nation's leading dairy farmers, what is their reaction to the present dairy situation?

Answer. I am sorry to report that Wisconsin farmers, like other dairymen, are deeply concerned about the present dairy situation. They simply are not getting enough return for their labor.

Remember, dairying is no simple 40-hour-a-week proposition. A dairy farmer has to work—and work hard—at his occupation—with his wife and youngsters and hired hand—if he is lucky enough to have one—7 days a week, 52 weeks a year, around the clock.

Moreover, the dairyman has to have a heavy investment in machinery, in buildings, in equipment. And yet, he simply is not getting enough return on his labor and his investment.

WISCONSIN FARMERS GET ONLY 7 CENTS PER QUART

I know this personally. For over 30 years, I have been intimately acquainted with the dairy farmer's problems on the farm in Barron County, Wis., which my father before me owned and operated, and which I in turn took over.

I know that the dairy farmer has been getting, in my area, only around 7 cents per quart of milk. Just think of that, 7 cents only. And yet, the consumer buying that same milk in the city has been paying around triple that sum.

Question. Then one of the problems is, Senator, that the dairyman is not getting enough of the retail price?

Answer. That is right. Government statistics show that the dairy farmer gets only 46 percent of the retail price of fluid milk, and only 47 percent of the retail price of American cheese. Distribution costs all along the line are responsible for the difference.

And remember, these are national averages. The 7-cent-per-quart figure which I have quoted to you earlier shows that Wisconsin dairymen are getting even less of the consumer's price than the national average, in many instances.

Question. Well, lowering high-distribution costs is, then, one answer to the dairyman's dilemma; is it not?

A DECENT LIVING FOR FARMERS ESSENTIAL

Answer. That is right. But the biggest single factor is, of course, to make sure that the farmer gets back his cost of production, plus a reasonable profit. If we keep that clear objective in mind, we won't become confused and confounded about details of the so-called parity debate.

After all, all the farmer wants is a decent living for himself and his loved ones.

The farmer has been caught in a price squeeze for far too long. The farmer is the only man who sells cheaply at wholesale, but buys expensively at retail.

You know, no other producer in America is so much at the mercy of competitive forces as is the farmer.

The farmer is also often at the mercy of other forces, as well as the elements. He faces the problem of fighting livestock diseases. He fights adverse weather conditions. He suffers from a terrific shortage of farm labor. And then, if he overcomes these and all other obstacles, when he sends his milk to market he may find that his milk check is so low as to give him little or no profit for all his labor.

UNITED STATES DAIRY CONSUMPTION FAR TOO LOW

Question. How about American consumption; are we eating and drinking enough dairy products?

Answer. The answer to that question is, Definitely not. We Americans simply do not consume enough dairy items. If we did consume more—if we did consume as much as some European countries do—then much of this so-called dairy problem would be eliminated.

Question. What do the statistics show, Senator, on dairy consumption?

Answer. Well, believe it or not, although ours is the greatest Nation, with the highest standard of living in the world, we rank eleventh—yes, a low eleventh—in cheese consumption. We only eat around 7.1 pounds per person per year. Ten other nations consume more cheese on the average than we do.

In butter, we are even worse. We are in 13th rank, and only eat 8.6 pounds of butter. In fluid milk, we rank eighth. We drink around 350 pounds of milk per person per year. But in Sweden, people drink around 513 pounds, and in Norway, New Zealand, Switzerland, Canada, Denmark, and Ireland people drink more milk than we do.

Yet, if Americans realize what a wonderful buy milk is, if they realize how essential it is for building of sound bones and healthy skin and tissues, they would drink more milk.

Question. Are there any other statistics which point up this problem?

Answer. Yes, a study showed that 84 percent of American adults drink coffee, and only 43 percent drink milk. In other words, many of our adults have gotten out of the habit of drinking milk, even though it is essential to adult health, just as it is essential for the health of youngsters.

A 10-POINT PROGRAM FOR UNITED STATES DAIRYING

Question. Well, now, Senator WILEY, you have described a great many of the problems of the dairy industry. Would you tell us what you feel to be some of the solutions? I know, for example, that you have sponsored a great deal of constructive farm legislation on Capitol Hill to cope with this problem. Would you tell us about some of these bills which you have offered as partial remedies for the dairy problem?

Answer. Yes. I am going to run through a series of 10 major points in my dairy program. I am not going to try to hit every aspect of the situation, but I am going to cover many of the most important features.

Question. What is the principal point, Senator?

PUT DAIRY ITEMS AT SAME PARITY AS BASIC FARM GOODS

Answer. First, my first point is, of course, that the dairyman must absolutely get his cost of production, plus a reasonable profit. To do this, I feel that dairy parity should be established at the same level as the other six so-called "basic commodities."

There is no other agricultural commodity more basic than milk.

So, there is no reason why the dairyman should be discriminated against in relation to other agricultural products, like cotton or tobacco.

Question. What other points in your dairy program?

EDUCATE AMERICANS TO RAISE DAIRY CONSUMPTION

Answer. Second, well, second, the Department of Agriculture, in cooperation with

Federal, State, and local governments and private agencies, should strengthen its program to increase dairy consumption.

That means better educating the American people, particularly the American housewife, to use more dairy foods at every mealtime—to use milk, and butter and cheese, in more wholesome, healthful recipes.

WIDEN SCHOOL MILK PROGRAM

Third, we must increase consumption among the Nation's school children. For that purpose, I have cosponsored with Senator HUMPHREY, of Minnesota, a bill to expand the special school milk program, which already has resulted in vastly increased drinking of milk by the Nation's youngsters.

Question. I know, Senator, that another of the major points on your program relates to research.

Answer. Very definitely.

PASS WILEY BILL FOR DAIRY RESEARCH LAB

Fourth, so I have offered a bill, S. 788, to establish a dairy research laboratory in Madison, the capital of my State.

This laboratory would help to coordinate all of the dairy research in the country. That means research into new byproducts for milk. It means finding new uses for milk, just as we have found new uses for the peanut and for cottonseed and for corncobs, and other agricultural items.

But I want research also into dairy packaging, dairy processing, dairy distribution. Such research is recognized as essential by just about everyone. Endorsements for the Wiley bill for the United States Dairy Research Laboratory have come in from all over the country.

Question. How about other points on your dairy program?

MORE MILK-VENDING MACHINES ESSENTIAL

Answer. Fifth, my next major point is to increase the availability of milk-vending machines. I am referring to automatic machines which dispense milk by cup or in the carton. Right now, there are more than 20,000 of these milk-vending machines all over our country. They have resulted in tremendous increases in sales. Car owners, for example, can drive up to a gasoline station, drop some nickels in the slot, and take home ice-cold quart cartons of milk, which they might not otherwise buy, particularly if it is late in the evening and most stores have closed. So, there ought to be many more milk-vending machines in the Nation's factories, in schools, Armed Forces facilities, and other public places.

Question. How about other points on your dairy program?

INCREASE ANTIDISEASE RESEARCH

Answer. Sixth, well, next, we ought to step up scientific research in the combating of livestock and crop diseases.

Take two instances—brucellosis (that is, Bang's Disease) and bovine tuberculosis—which have cost American farmers heavily. Fortunately, these scourges are on their way to elimination. But money spent for research in battling these and other diseases pays off tremendously for the American people as a whole. It helps to produce more income for the dairyman and more wealth for America.

Question. How about some other points in your dairy program?

PREVENT OLEO MISREPRESENTATION

Answer. Seventh, we must enforce the Nation's laws so as to prevent misrepresentation of artificial products which try to masquerade as natural dairy products—as whole milk or butter or ice cream. In other words, we want fair play in advertising and labeling, fair play not fraud and deception.

PERMIT WISCONSIN MILK IN EASTERN MILKSHEDS

Eighth, then, there ought to be a study of the restrictions which prevent milk from moving freely across State borders.

For example, Wisconsin milk can't move into many eastern markets, because of wholly artificial restrictions which have been built up against it. This whole subject ought to be studied, and progress ought to be made so that there is freer movement of milk throughout our country.

FAIR PROTECTION FROM FOREIGN COMPETITION

Ninth, the problem of harmful foreign dairy imports requires constant reexamination. Very often foreign farm products pour into this country and they don't nearly meet the high health standards which our American dairy products meet. It isn't fair to penalize the American dairyman who must spend a great deal to bring his products up to high health standards, while at the same time foreign products with far lower standards and produced at much lower labor cost can pour in.

STRENGTHEN FARMERS' CO-OPS

Question. That represents nine points, Senator WILEY. How about the 10th?

Answer. The 10th point is to strengthen the farmers' organizations, not weaken them. That means strengthening the Nation's farm cooperative system, strengthening its rural-electric co-ops, its phone co-ops. It means strengthening soil-conservation committees. These and other groups are, after all, helping the farmer to help himself.

SENATOR WILEY'S FIGHT FOR FARMERS' SOCIAL SECURITY

Question. That is certainly a significant 10-point program.

Incidentally, I know, Senator WILEY, that many other objectives for which you have fought for the farmer have now been realized, or are on their way to realization. For example, you have fought to help assure old-age pensions for farm operators—legislation which was enacted, and which now helps to eliminate fear of insecurity in the farmer's later years.

You have fought for improved rural health for our farmers, for better hospital and medical service for them, for more schools in the rural areas of America, for improved highways to bring the farmer's products to market. You have fought to help the farmer lower the accident rate on farms, and fought to secure amendments to the tax laws to assure the farmer a fair break.

REFUND FARMERS' GASOLINE TAX

Answer. Yes. For example, right now, I am trying to get refunds for the gasoline tax which the farmers pay. After all, that gas tax penalizes the farmer when he buys gasoline for his tractor and other farm machines. The Federal gasoline tax was intended as a highway tax. So, it isn't fair to soak the farmer with this tax when he is using the gasoline, not on the highways, but basically within the confines of his own farm.

CONCLUSION—HELPING DAIRYING HELPS ALL AMERICA

Question. Well, I know, Senator, that our listeners have been interested in your presentation of the dairy farmer's problems.

I know, too, that they will understand that in speaking for the dairyman, you are speaking for the American people as a whole, because, if the dairyman goes out of business—if he finds it necessary, for example, to auction off his farm—then it is not simply the dairyman who is hurt, but America generally.

Answer. That is absolutely right. I am, indeed, speaking for the health of America—health which is dependent on this great segment of farming. I am not asking, and the dairy farmer is not asking, for favoritism or privilege.

Any man who has ever worked on a busy dairy farm knows that if there is anyone in our population who really works his own way, who really relies upon himself, is willing to take his chances, it is the dairyman. He is not asking for anything special—just for fair, decent treatment from his Government. And he asks for understanding from the American people generally.

I hope that in the comments which I have made, my listeners will find greater insight into the problems of this great industry of America.

Thanks very much for your kind attention. This is Wisconsin's senior Senator, ALEC WILEY, signing off.

Social Security

EXTENSION OF REMARKS

OF

HON. WINT SMITH

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1955

Mr. SMITH of Kansas. Mr. Speaker, it seems that every session of the Congress, either Republican or Democrat controlled, brings new additions to the so-called social-security law. The House of Representatives last week added some 2½ million more persons to the social-security rolls. If this House bill becomes law, all self-employed persons except doctors will be included.

Modern society recognizes the fact that we must properly and adequately take care of fellow citizens in need of help and assistance. I know full well the day of the poorhouse over the hill has gone and properly so.

Certainly the aims of social security are admirable, but too many still do not realize how the costs are to be paid. It is not self-supporting or sustaining. There is at least a deficit of $11 to $12 billion at present. Who will eventually have to pay for all this so-called security? The answer is simple: Oncoming generations.

Most people know that they should look carefully for the fine print on an insurance policy, but too many citizens do not look for the fine print in this so-called social-security law. It is mostly "social" and has very little guaranteed security.

It is well to remember that the Government does not create wealth; it only takes away. I believe there are still millions of Americans who prefer to handle their own personal budget and buy their own insurance rather than to be managed by bureaucrats. Whenever a government undertakes to redistribute wealth, the benefits generally go down rather than up. In a republic of freemen, so-called free riders are not conducive to greater incentive efforts. "Social security" has a siren voice, but no one ever proclaims that it helps to increase productivity.

This Government was designed, set up, and paid for by our ancestors' blood, sweat, and tears. They set out to provide justice, domestic tranquillity, common defense—of American shores—the general welfare—not welfare of individuals—and to secure liberty. This new social-security law places by compulsion involuntary tax slavery upon all self-employed persons whose net earnings total

more than $400 a year, including lawyers, dentists, architects, engineers, accountants, funeral directors, osteopaths, chiropractors, veterinarians, optometrists, ministers, and farmers. This is nothing more nor less than involuntary tax slavery through a device called compulsory social security.

When we buy private insurance, either life, accident, health, hospitalization, or retirement, the price tag is clearly on the package. We just know how many dollars it will cost. But in this compulsory Government social security, the true cost is hidden—and will have to be paid by future generations—and the benefits paid in highly inflated dollars. The price we have to pay can lead to a lower standard of living, regimentation, and loss of more of our freedom.

This compulsory social-security program is a most distasteful program because there are still millions of Americans who want to take a calculated risk, who refuse to barter incentive for a dole, who prefer the risks of freedom to a guaranteed existence with a chain around their neck and, above all, who will not trade self-respecting initiative for a doubtful handout.

In our reading of history several facts always stand out in bold relief. This is particularly true when we get into the area of "social reforms" or a new approach to social progress. Many of the best international social reforms have become mere instruments of oppression to the whole of society. And in the end the individual sought to be helped becomes the mere tool of some all-powerful minority.

Just remember that European socialism was transformed into an autocratic, despotic, nationalistic socialism of Hitler and Mussolini, and that the idealistic communism from the intellectual teachings of Karl Marx, Lenin, and Trotsky finally took the form of present Soviet totalitarianism. All resulted in the enslavement of the individual and his government became his complete master.

Last week there was published an editorial in one of New York's newspapers. This editorial was inspiring because we often think that the large city papers do not see the picture quite as clearly as the less congested areas. This article lauds Representative STUYVESANT WAINWRIGHT who had the courage to vote against this new social-security law.

Representative WAINWRIGHT—who is opposed to social security as such—was honest in his vote, not because he does not believe in helping those who need it but because he knew it was fraudulent and deceitful in approach. It was not in the best interests of those who deserve better treatment from their Government.

I commend this editorial:

[From Newsday of July 21, 1955]

A VOTE AGAINST MOTHER

Voting against an extension of social security coverage is like voting against mother. It isn't done.

Representative STUYVESANT WAINWRIGHT did it, though, for which he rates an awe-inspired gaze and a vote of thanks. Only 30 Congressmen joined him while 372 opposed him, but WAINWRIGHT was still right.

The bill would lower the retirement age for women from 65 to 62, jack up the present contribution from 4 to 4½ percent, and give benefits to disabled persons at the age of 50.

Like WAINWRIGHT, we are all for social security, but this bill did not deserve passage. It would cost $2.5 billion, yet no hearings were held by congressional committees. Only 40 minutes of debate were allowed.

In addition, as WAINWRIGHT said, women are given a special and unwarranted advantage. They retire only a few months earlier than men, not the 3 years the bill presumes. They live, on the average, 5 years longer than men so that, if anything, men's retirement age should be reduced rather than women's.

The bill passed the House so easily because it is not expected to reach the Senate this session. Congressmen could vote for women without risking a dime. We're glad WAINWRIGHT had the courage to say no.

The Federal Flammable Fabrics Act

EXTENSION OF REMARKS
OF
HON. GORDON CANFIELD
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1955

Mr. CANFIELD. Mr. Speaker, I am unable to believe that the House, now driving for an early adjournment, would consider any bill which would weaken the provisions of the Federal Flammable Fabrics Act passed by the 83d Congress to protect the lives of our people from experiencing the fate of the hundreds who had been killed or maimed in yesteryear.

My interest in promoting such legislation was borne several years ago when children in my area wearing cheap cowboy suits were casualties because the suits, highly flammable, caught fire and they could not be saved. This interest was intensified after a rash of exploding sweater incidents. I became a sponsor of a bill to stop this kind of business and it was extremely difficult getting such legislation through the Congress. Efforts to amend and weaken the act began soon after the President signed the bill and there were those who predicted the act would be amended and diluted to death.

Currently, importers of Japanese scarves are extremely busy in an effort to secure the passage of H. R. 5222 before we adjourn. Among the first to protest were American textile workers speaking through their unions. Those who would weaken the act spread the story the workers had made an about-face but that is not true and the following telegram I have just received from William Gordon, vice president of the Textile Workers Union of America, emphasizes their unalterable opposition:

NEW YORK, N. Y., *July 27, 1955.*

Hon. GORDON CANFIELD,
House Office Building,
Washington, D. C.:

Rumors are being circulated that the Textile Workers Union of America has withdrawn its opposition to H. R. 5222.

The Textile Workers Union of America has been and still is violently opposed to exempting scarves from the provisions of the Flammable Fabrics Act. The exemption would grant special consideration to increase the importation of the fully printed and finished Japanese scarf. The present importation of the scarf has already caused the loss of jobs of 3,000 American textile workers. It would give preference to Japanese fabrics which are not being given to American-produced fabrics. The passage of this bill will seriously endanger the women of our country who wear scarves about the neck and head. It is highly dangerous to exempt scarves from the provisions of the Flammable Fabrics Act and thus create a serious safety hazard.

We urge you to do everything in your power to defeat H. R. 5222.

TEXTILE WORKERS UNION OF AMERICA,
WILLIAM GORDON,
Vice President.

Friends of the Flammable Fabrics Act, these including leaders of the American textile industry and unions, national women's organizations, the press, fire marshals and fire chiefs, and consumer groups should be alerted that the drive is on. The challenge must be met.

Real Help for the Seashore

EXTENSION OF REMARKS
OF
HON. T. MILLET HAND
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1955

Mr. HAND. Mr. Speaker, on July 15, 1955, President Eisenhower signed into law the so-called public works appropriation bill. Included in this bill is $906,000 for the city of Atlantic City, $67,000 for Ocean City, and $60,000 for Cape May. This money is now being made available for the work actually done by these three cities in protective work against beach erosion, and will undoubtedly be followed by further appropriations as the work progresses.

It is also encouraging to remember that other seashore cities similarly affected may, by undertaking cooperative studies, eventually share in this same program.

The much larger amount which goes to Atlantic City is, of course, explained by the fact that their project is much the larger, and further by the fact that the entire beach at Atlantic City is publicly owned, which is not so either in Ocean City or Cape May.

The final successful conclusion resulting in these substantial benefits is the culmination of a 10-year fight on my part to get the Federal Government to recognize its responsibility to our coastal areas as it has so long done in other areas of the country.

The authorization legislation for this purpose was passed last year, and on July 30, 1954, I made a statement to the House in which I said:

We have plowed the long furrow and we seem to be reaching the end of it. This is of the utmost significance to the entire State, because the seashore resorts of our area, entertaining millions from all over the world, are literally a billion-dollar industry in our New Jersey economy.

In my successful efforts to get funds actually appropriated, I testified before

my own Committee on Appropriations this year and said in part as follows:

These high ratios are partly because of the values to be protected. The assessed value of real estate in Atlantic City is close to $90 million; in Ocean City it is more than $20 million; and in Cape May in excess of $6 million. The true values will at least double these assessed values. The permanent population of Atlantic City is 65,000, but it is estimated that it entertains 10 million visitors during the course of a year, from every State in the Union.

The protection afforded therefore is not local. Congress has recognized the value of these resort areas to the national health and welfare, and what we are protecting are recreational areas of great national value, and not localities.

One further word in closing. We appropriate money, and quite properly, for navigation, for the benefit of shipping interests, which in some areas is the lifeblood of the community. We likewise protect farmlands from flooding, because agriculture is the lifeblood of that community. Recreation in New Jersey is a significant part of the lifeblood, not only of our communities, but of the State. Despite the fact that New Jersey is the sixth most important manufacturing State in the Union and a great agricultural State, its resort and recreational industry is its greatest producer of gross revenues, and is valued at well over a billion dollars a year. All of this would be lost without adequate and properly protected beaches.

Mr. Chairman, New Jersey pays a very high share of the total Federal revenues and seldom is found before this committee for any appropriation to it. I am sure that you will agree that this comparatively small amount of Federal aid, recognized by the 79th Congress, duly authorized by the 83d Congress, and now before you with the approval of the Bureau of the Budget, is amply justified.

I am very happy to have been instrumental in obtaining such a substantial amount of money for our seashore areas which, in the long run, will help to protect our beaches and will substantially relieve the local tax burden in doing so.

Mr. Speaker, I am appending an editorial appearing recently in the Ocean City Sentinel-Ledger, Ocean City, N. J., and for their kind words, I am very grateful.

The editorial follows:

CONGRESSMAN HAND WINS ANOTHER ROUND

As the gory pugilist was supposed to have said, "It was a tough fight, Mom, but I won." That's about the way it seemed when word came from Congressman T. MILLET HAND late last week that the House Committee on Appropriations has approved funds totaling more than $1 million for south Jersey beach protection work, including $67,000 for Ocean City.

The business of persuading Congressmen that Uncle Sam has some financial responsibilities in keeping the seashore a fit place for millions of bathing vacationists has been in progress for at least 15 years, ever since the ocean began making noticeably serious inroads on bathing beaches here and in neighboring resorts.

Action by the House committee is seen here as the culmination of a long wait for some Federal participation.

The wheels sometimes grind very slowly down in Washington. After what seemed an eternity, the 79th Congress conceded that seashore cities were entitled to some Federal aid, but that was as far as it went. Conceding a point and providing for money to back it up turned out to be two different things. It wasn't until 1954 that the 83d Congress moved ahead to the point where it prescribed the conditions under which it would grant such aid. Again, without an appropriation.

Now, according to Representative HAND, the money is definitely set up in an omnibus bill covering a myriad of public works ects, and it is believed to have excellent chance of passage, at least in the House. Which brings up another question of whether the Senate will concur.

At any rate, the outlook for genuine Federal beach erosion assistance is brighter than it ever has been before. And Ocean City owes some words of thanks to a diligent Congressman, Representative HAND, who has been fighting for just such recognition for his district a good many years.

Commonwealth of Puerto Rico Celebrates Third Birthday

EXTENSION OF REMARKS
OF
HON. JOHN J. ROONEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1955

Mr. ROONEY. Mr. Speaker, the Commonwealth of Puerto Rico today celebrates its third birthday. It is important that we make note of this most significant event as the United States has never before enjoyed such a tranquil political and economic relationship as that which now exists with the people of Puerto Rico.

The establishment of a commonwealth has been a fortunate solution to the political problems of the Puerto Rican people and they now enjoy internal independence. We should be pleased that we authorized the organization of the Commonwealth of Puerto Rico, that we agreed to its constitution, and that the people of Puerto Rico have willingly assumed their responsibilities.

On May 28, 1952, in the 82d Congress, 2d session, I had the high honor to be appointed by Speaker RAYBURN as chairman of the Committee of the Whole House on the State of the Union when the resolution—House Joint Resolution 430—approving the Constitution of the Commonwealth of Puerto Rico was favorably considered by this House of Representatives. One of my treasured possessions is the gavel presented to me by Speaker RAYBURN and used at the time of passage of this historical legislation.

Since achieving Commonwealth status on July 25, 1952, the people of Puerto Rico have made remarkable progress and have forged ahead industrially, educationally, and agriculturally. They now have a sound economy and a stable government.

We must continue to help the people of Puerto Rico against segregation and discriminuation because of race, religion, or national origin. They are entitled to full equality of opportunity in education and employment. The fulfillment of such programs will prove that faith in freedom and self-determination has in every respect proved its worth.

I extend my felicitations and heartiest congratulations to the people of Puerto Rico on this historic day and commend my good friend the distinguished Resident Commissioner of Puerto Rico, Dr. ANTONIO FERNÓS-ISERN, whose interest here in Washington has always been to maintain amicable association and understanding between the people of Puerto Rico and the United States.

Submarine "Seawolf"

EXTENSION OF REMARKS
OF
HON. W. STERLING COLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1955

Mr. COLE. Mr. Speaker, on July 21, 1955, at the yard of the Electric Boat division of General Dynamics Corp., a pioneer in Marine construction was launched, the submarine *Seawolf*, the second nuclear-powered vessel in our Nation's history. I include as extension of my remarks the speeches made on that occasion, and data concerning the *Seawolf* and the christening ceremony:

ADDRESS BY JOHN JAY HOPKINS, CHAIRMAN AND PRESIDENT, GENERAL DYNAMICS CORP.

Mrs. Cole, Secretary Thomas, Commissioner Strauss, Mr. McCune, distinguished guests, ladies and gentlemen, we are delighted to welcome you to the Electric Boat Division of General Dynamics Corp., and to the launching of the United States Navy's second nuclear-powered vessel, the submarine *Seawolf*.

It is our pleasure, on this happy occasion, to greet many of you not only as honored guests in your own right, but as honorable representatives of the Government of the United States, and of our friendly allies, the peoples of Canada, Colombia, France, Italy, Peru, and Japan.

It is our privilege to extend greetings of still deeper feeling to those of you who in your capacity of leadership represent here today the United States Navy, the United States Atomic Energy Commission, the General Electric Co., and all those hundreds of other American organizations whose people have poured their minds and hearts and hopes into this great and revolutionary ship.

The atomic *Seawolf*, as you may know, will not be the first submarine to bear that name. It will be the third. I take particular pleasure, therefore, in saluting our very special guests: Capt. Henry M. Jensen, commanding officer of the first *Seawolf*, commissioned 42 years ago; Capt. R. B. Lynch and Rear Adm. Royce L. Gross, two of the commanding officers of the second *Seawolf* during World War II; and Comdr. Richard Laning, the prospective commanding officer of the third, the atomic, *Seawolf*.

Thus, the *Seawolf* of today is bound to her predecessors by invisible filaments of Navy tradition and achievement. But, like her sister ship, the famous atomic-powered *Nautilus*, the first vessel in world history to be propelled by the energy of atoms, she documents anew, not on paper, but in steel, that passionate belief in progress and improvement which is the wellspring of our national strength.

I am confident that vessels of tomorrow, the products of the minds and hands of scientists and engineers and craftsmen yet unborn and powered perhaps by engines utilizing processes of controlled atomic fusion, will have awesome attributes of strength and speed and dimension to dwarf even this historic ship.

Surely the turning propellers that drive the *Seawolf* deep under the sea and far, must bring home again to all the world astounding proof that cosmic forces can be domesticated to man's common needs.

Yet, in the elation of this moment, I recall the memorable phrase of the Spanish philosopher Unamuno that true science teaches us above all "to doubt and to be ignorant."

We must beware then in all science and industry, as in shipbuilding, of terminal thinking—of a happy contentment, whether through apathy or timidity or guile, with limited attainments.

In the struggle against even the possibility of an atomic status quo as insurance against the stultifying influence of terminal thinking and as evidence of our intent to extend the frontiers of scientific knowledge under the sea, in the air, and in space beyond—we will dedicate before the year's end what we believe to be the first privately financed laboratory in the world, devoted primarily to basic nuclear research. In the struggle for a massive technological breakthrough on all nuclear fronts, we have recently enlisted many of the world's great scientific minds among them Dr. Hans Bethe, Dr. Charles Critchfield, Dr. Frederic De Hoffmann, Dr. Joseph Kennedy, Dr. Frederick Seitz, Dr. Edward Teller, and Dr. John Wheeler.

The dedication of nuclear energy to constructive, creative purposes—now shortly to be demonstrated to the world for a second time in the *Seawolf*—must benefit all men, everywhere, on every continent, and in every economic and moral clime.

Indeed, the power embodied here—so sinister to felons, so happily ominous to friends—serves doubly in the interest of humanity. For the *Seawolf* epitomizes the dual destiny of the atom: To deter all men and all nations from the folly of atomic destruction, and to unite all men and all nations in the wisdom of atomic creation.

To me, the *Seawolf* is "atoms for peace."

HARNESSING A DREAM

(By Francis K. McCune, vice president and general manager, atomic products division, General Electric Co.)

The atomic age began on July 16, 1945, at 5:30 a. m., mountain war time. There, on a stretch of desert about 50 miles from Alamogordo, N. Mex., the energy locked within the atom was released in a burst of flame such as the world had never seen.

We have come a long way since then. Here, at Groton, Conn., only 10 short years after that history-making event, we are witnessing a practical, useful, and highly significant application of that awesome energy.

Today, we launch the second of two great undersea boats to be driven by the energy of the atom. This is phase two in the Navy's well-planned and far-sighted nuclear submarine program * * * and a real victory in the development of the atomic Navy of the future.

Atomic submarines, I am told, are the answer to a submariner's prayer. For—because of their nuclear engines—they can travel faster and farther under water than any other type of submarine in operation today, anywhere in the world.

The reactor going into the *Seawolf* operates on an entirely different concept from its predecessor. It is a second step in the rapid development and improvement of nuclear engines for naval propulsion. The next reactor—on which we are already working—will be superior to this one. This is progress.

To General Electric, the *Seawolf* signifies another in a long list of contributions to the science of ship propulsion. Almost 45 years ago, W. L. R. Emmet, a graduate of the United States Naval Academy who later joined General Electric, produced the Navy's first turbine-electric drive for the collier *Jupiter*. This was so successful that 5 years later the same principle was applied in a capital ship, the *New Mexico*—a ship that, in its day, was as modern in concept as our *Seawolf* is today. It is interesting to note that the *Jupiter*—with its same turbine-electric drive—later became the *Langley*, the Navy's first aircraft carrier.

Moving rapidly across the years, between 1933 and 1937, major technological contributions were made in the field of naval propulsion—advances that Charles Edison, then Assistant Secretary of the Navy, characterized as the greatest single contribution in a generation.

I would like to emphasize one thing at this point. Our long association with the Navy bears out the importance of teamwork in the creation and application of new ideas. No one organization can do the whole job. Rather, progress depends upon a cooperative effort with all elements aiming at a common objective or goal. And, certainly the *Seawolf* is no exception. Together, working with one aim in mind, a team—consisting of the Navy, the AEC, General Dynamics, and General Electric—produced this strikingly advanced nuclear submarine.

God willing, we will never have to measure the impact of military atomic propulsion in action. But one thing is certain: The mighty atomic Navy of the future will be the bulwark of our defense * * * a sturdy pillar of our freedom.

And to those who have worked so hard and so long to make this atomic dream a reality, and believed when others refused to believe, this is a dramatic victory: The beginning of significant practical application of the energy of the atom. But let me hastily add that, as these men well know, the most startling thing in the atomic field has been the tremendous speed with which the dream of yesterday becomes the commonplace fact of today * * * and the ancient history of tomorrow.

Already, these men, the many hands who have made the *Seawolf* possible, are turning their efforts to even greater accomplishments, aware, now, that it is possible to create progress. For, they have done it.

REMARKS BY LEWIS L. STRAUSS, CHAIRMAN, UNITED STATES ATOMIC ENERGY COMMISSION

It is a privilege to be here today on this history-making occasion.

The launching of the *Seawolf* marks another important achievement in the development of atomic power. It signifies—as did her proud predecessor, the *Nautilus*—the leadership and determination of American democracy and free enterprise to advance the day when atomic power will greatly enrich our lives and the lives of peoples everywhere.

Work on the powerplants for the *Seawolf* and *Nautilus* was started at about the same time as parallel and competitive efforts, using reactor designs of marked difference. The *Nautilus* uses a reactor operation with low velocity neutrons, and the heat is removed by water under high pressure. On the other hand, the *Seawolf* reactor operates with neutrons of higher velocities, and liquid metal is the medium of heat transfer.

In the beginning no one could be certain of the success of either attempt, since atomic power was then still unproven; it was a great and very bold adventure.

I need not tell you how handsomely the *Nautilus* performed at sea under all conditions.

Today, I am happy to be able to announce that the land-based prototype of the atomic powerplant which will be used in this great new submarine also has operated most impressively.

Beginning on June 6, that prototype, located at West Milton, N. Y., operated, at full power, long enough to have propelled the *Seawolf* on a 2,250-mile, nonstop trip, fully submerged. That represents the equivalent of an underwater voyage from St. Johns, Newfoundland, to Dover, England. This, I am told, compares to 4 hours at full power as the qualifying time for new, diesel-powered submarines.

This prototype of the *Seawolf* powerplant has achieved further renown. On Monday of this week at West Milton, I had the privilege of throwing the switch which sent thousands of kilowatts of power surging into transmission lines to serve homes, farms, and industries of upper New York State.

Who can fail to be enthused at these accomplishments and the visions they unfold for the future?

In a little more than 5 years, we have established the success of two different types of atomic energy reactors as propulsion systems for submarines, and this achievement was due neither to accident nor good luck. It is the result of hard work on the part of many skilled, devoted, and courageous people.

Outstanding among those entitled to take deep personal pride in todays event is my friend and colleague, Adm. H. G. Rickover.

The Electric Boat Division of General Dynamics Corp. and the General Electric Co. merit particular commendation and we in the Commission are continuously grateful for the splendid cooperation we have received in this, as well as many other enterprises, from our great Navy, and especially its distinguished Secretary, the Honorable Charles S. Thomas.

We build submarines and other weapons of defense because we have no other prudent alternative. Our security and our freedom depend upon them.

Nevertheless, such military weapons as the *Nautilus* and the *Seawolf* return to us very large, nonmilitary dividends — dividends which may in fact exceed the cost.

For the atomic powerplant so developed provides us with valuable new knowledge with which to advance the peaceful applications of atomic energy, especially in the field of power.

The Atomic Energy Commission and the men who have developed the *Seawolf* do not regard her only as a weapon. She is one of the significant milestones on the way to a great goal—the goal of progress, plenty, and of lasting peace.

INVOCATION, LT. COMDR. PAUL F. BRADLEY, (CHC.), UNITED STATES NAVY

Almighty God, it would be a foolish thing for us to be other than simple and brief in the epochal circumstances under which we are here assembled. We wish simply to ask Thy blessing on forces which we do not yet fully comprehend. It is an hour for prayer not rhetoric, for humility not hauteur.

We have seen the power of Thy creation in our own days, O God. We have felt the earth shrug and have seen whole cities shudder and slip into rubble. We have seen lightning leap from angry skies to incinerate man and his works. We have seen bacteria, so minute as to challenge the most discerning lens, snowball into pain and plague and death. We have heard the volcano rumble and seen it spew out destruction. We have seen the forces of nature caught in test tubes and have seen her metals hammered into blades and barrels and bombs in man's own plan and pattern of pain.

Today, O God, we ask you to look down on us with patience and compassion. This craft—this *Seawolf*, this capsule contrived of steel and secret structure, holds within its bulkheads the most awful culmination that man has yet derived from the potentials

that your creative hand pressed into the bins and closets of nature.

We are awed and chastened, O God—but we are not frightened, for is it not true that none of Thy handiworks is as great as Thee? We are not frightened so long as we dedicate this craft and the fearful forces that propel it to Thy glory, to the protections of man's rights—to peace for all men.

And so again with the simplicity that this occasion elicits, we acknowledge that all Thy gifts are good—and only by man's will, can be bent to man's sorrow. Even the water and the air and earth and fire can be distorted and disastrous. * * * The nightshade and the lovely poppy can bless or blight, the mind can love or hate.

Therefore, reverently we ask Thee, O God, of both the atom's laws and man's reason, to bless and guide them to life more abundant. * * * To peace—because the awful alternative is the end of all life. Amen.

A Report of Naval Progress in Nuclear Propulsion

(Address by Hon. Charles S. Thomas, Secretary of the Navy)

Mrs. Cole, President Hopkins, Governor Ribicoff, distinguished guests, ladies, and gentlemen, only 10 years have passed since the power of the atom was first unlocked. Today, you are witnessing the launching of the second known nuclear propulsion plant in the entire world.

This launching follows by only 6 months the commissioning of the first nuclear-powered ship, the *Nautilus*. Few people can appreciate the magnitude of these twin miracles of design and production. History can cite no similar achievement in so short a period of time as the development and construction of the submarines *Seawolf* and the *Nautilus*.

The launching of this ship has not been a naval enterprise alone. It had been a combined Atomic Energy Commission and Navy enterprise, encouraged by the enthusiasm and approval of the Joint Congressional Committee for Atomic Energy. The Atomic Energy Commissioners, under the outstanding inspirational leadership of Chairman Strauss, are to be commended for their unstinting support of this and other naval projects. Tribute is also due to the Navy's Bureau of Ships and particularly to Admiral Rickover of that Bureau whose vision, tenacity, and zeal contributed so much to this accomplishment. And great credit must go to the General Electric Co. who constructed the nuclear plant, as well as to the Electric Boat Division of the General Dynamics Corp., who built the *Seawolf*.

If, 10 years ago, one would have predicted that the end of the next decade would see operating nuclear power plants, he would have been thought unrealistic, to say the least. Great progress has been made in an incredibly short time. In spite of the fact that nuclear propulsion is only in its infancy. Americans can take pride that three nuclear powerplants are operational in the United States today. And of course, we are extremely proud that all three of these are for naval use.

As we look at the *Seawolf*, let us briefly examine the present status of the Navy's nuclear propulsion program. As you know, the *Nautilus* if now operating and its performance has exceeded our expectations. Today, the *Seawolf* is launched. In addition, Congress authorized the building last year of two additional nuclear submarines.

The production of nuclear-powered vessels by the Navy has come of age. This year, Congress has approved the Navy's plans to build four more nuclear powered submarines. This means that this fiscal year the Navy will have eight nuclear-powered submarines in being or under construction and, in rapid succession thereafter, many others. Of course, our future plans include nuclear-powered vessels of other types. Development of nuclear propulsion for larger naval vessels is well advanced, and the Atomic Energy Commission will soon start construction of a land-based prototype at its National Reactor Testing Station in Idaho.

To insure the earliest and maximum exploitation of nuclear power for surface ships and naval aircraft, I have recently appointed with Admiral Strauss' concurrence, the Assistant Secretary of the Navy for Air, Mr. James H. Smith, Jr., and Rear Adm. Arleigh A. Burke, the incoming Chief of Naval Operations, to work with the Atomic Energy Commission in the accelerated adoption of nuclear power.

To show you the Navy's avid interest in nuclear propulsion, the Navy has seven different nuclear reactor projects. The nuclear plants of the *Nautilus* and the *Seawolf* were purposely made competitive, partly to determine which is the better power plant and partly to exploit the rapidly advancing technology of nuclear propulsion. The objective of these seven projects is to develop a family of reactors which will be applicable not only to submarines but to surface ships. They will lead to savings in costs, refinements in construction, saving in the expenditures of fissionable material, and incidentally, the faster realization of nuclear power for American farms, homes and factories.

The Navy is also giving special attention to the nuclear propulsion of naval aircraft. This field has unique application to the Navy's mission. In particular, careful attention is being given to nuclear powered seaplanes. Promise in this field is great indeed. Much of the way in this field has been paved by the efforts of the Atomic Energy Commission and the United States Air Force. Their years of research and effort had made possible the Navy's effort in recent months to increase its contribution to the aircraft nuclear propulsion program. Our naval program is being fully coordinated with the Air Force and is designed to complement that effort.

To keep pace with this accelerated program of nuclear propulsion, both construction and research, increasing emphasis has been given to broadening and expanding the educational and experience levels of the Navy's personnel, naval and civilian. A letter of instruction emphasizing and profound impact of nuclear power on the Navy and the need to attract and train our best officers and men to participate in this accelerated program was sent by me to every ship and station in the fleet in April. A stepped-up program of training selected officers in nuclear engineering was commenced last year. The training of production and maintenance personnel in naval and private shipyards has also been accelerated. The point has been reached where it is desirable to further expand the base for constructing nuclear powered ships. This has been done and this year two naval shipyards will build nuclear powered submarines for the first time.

Thus, the *Seawolf* is symbolic of the accelerating importance of nuclear power in the American Navy. We have crossed the threshold of a period of change which promises to alter the face of the Navy even more than did the changes of sail to steam and of wood to steel combined. Submarines with nuclear power are a new and modern weapon. They have a submerged endurance and versatility heretofore unknown. In addition to the traditional role of destroying enemy ships, the nuclear powered submarine may lay mines, may furnish early warning of threats to our homeland or to ships of our task forces, and may track and kill the enemy's submarines. Nuclear submarines may be used for the supply and replenishment of the new jet seaplanes, perhaps nuclear powered ones, that I mentioned. Even more important, the nuclear submarine has a very promising role as a component of a missile launching system. Equipped with missiles, the submarine can silently emerge from the depths of the ocean and send missiles of great destruction great distances with deadly accuracy as the newest weapons system in our retaliatory arsenal.

The Navy is very proud of its pioneering in the nuclear propulsion field. We are glad that a requirement for a naval ship such as the *Seawolf* motivated the generation of a new body of technical knowledge which will have extensive peaceful applications.

The President's farsighted program to demonstrate what the peaceful use of atomic energy can do in the benefit of mankind is an inspiration to all of us. The Navy is proud that its contribution goes beyond military purposes and aids in the achievement of our national goal of peace. What has already been learned and what will be learned from the operation of the *Nautilus'* and *Seawolf's* powerplants has already been most helpful for atomic power in American industry and commerce. The successful development of nuclear propulsion systems for naval ships has solved numerous problems which industry and commerce can adopt: new metals, new controls, new materials, new safety devices, new processes, new pumps and new instruments.

These facts, I think, indicate that the Navy has been pressing forward in the field of atomic energy in a bold and aggressive manner. We shall continue to push ahead as rapidly as is consistent with industry's ability to support our program, as the availability of trained manpower, building facilities, and technical know-how grows, and with prudent concern for the taxpayer's funds and the rapidly developing state of nuclear science.

This launching is also symbolic of the new American Navy of which the *Seawolf* is a small but important segment. Throughout our fleets, accent is being given to the rapid adoption of nuclear propulsion to submarines, surface ships, and aircraft. Fresh emphasis is being given to the concept of using ships as mobile bases—moving airbases, missile launching bases—bases upon which our national power can be projected wherever necessary. Jet seaplanes are being developed that can range the oceans of the world. Guided missle ships are replacing conventional ships, and missiles are replacing guns themselves. A stable of atomic weapons, air to air, air to ground, and surface to surface, is being fully assimilated.

It is, I can assure you, a new Navy which the *Seawolf* joins.

"Seawolf" Launching Highlights

Mrs. W. Sterling Cole, who will christen the new atomic submarine *Seawolf* today, July 21, will be making her second appearance on the sponsor's platform at Electric Boat. On August 8, 1943, she launched the submarine U. S. S. *Bluegill*. That submarine was commanded by her brother-in-law, Lt. Comdr. Eric L. Barr, Jr., United States Navy. Now a retired captain, Barr is security director at the Electric Boat division.

Mrs. Cole has two sons serving in the Navy. Lt. (jg) W. S. Cole, Jr., United States Navy, is attached to the New London-based submarine U. S. S. *Sea Robin*. Ens. Thomas Cole is a gunnery officer serving on the heavy cruiser U. S. S. *Newport News*. Mrs. Cole's third son, David, a recent high school graduate, will begin an agricultural career at Cornell University in the fall.

Mrs. Cole's husband, Representative W. Sterling Cole, Republican, New York, is a member of the Joint Congressional committee on Atomic Energy and a former committee chairman. He played an important part in the development of the Navy's atomic submarine program. He will ride the *Seawolf* down the ways.

The U. S. S. *Seawolf* SS197, for which the Navy's newest atomic submarine is named,

was one of the first American submarines to seek out the enemy in World War II. Its record of 18 vessels sunk for a total of 71,609 tons during 15 patrols was one of the best established by a United States submarine. She won two Navy unit citations.

Two former shipmates on the World War II *Seawolf*, Royce L. Gross and Lucien T. Rajotte, have been working on the new *Seawolf* since its keel was laid. Gross is inspection manager at Electric Boat and Rajotte is a first class pipefitter.

The new *Seawolf*, is the third submarine in the United States Navy to be named *Seawolf*. The first *Seawolf* was authorized on March 3, 1909, but her name was changed to the *H–1* before she was commissioned on December 1, 1913. The second *Seawolf*, SS197, was commissioned on December 1, 1939.

The *Seawolf* will be able to steam submerged at speeds in excess of 20 knots. Because it is powered with a nuclear reactor, independent of the earth's atmosphere, the *Seawolf* will be able to cruise underwater almost indefinitely.

The crew of the *Seawolf* will number approximately 100 officers and men.

The cost of the *Seawolf*, SSN575, is estimated at $32,700,000 exclusive of the Atomic Energy Commission's construction costs for the nuclear powerplant.

The powerplant of the *Seawolf* will be of a different design from that of the *Nautilus*. The *Nautilus'* powerplant, called the submarine thermal reactor, is cooled by high pressure water. Another type reactor, labeled the submarine intermediate reactor, will be installed in the *Seawolf*. It is cooled by liquid sodium and is being built for the Atomic Energy Commission by the General Electric Co.

Habitability is a key word in the *Seawolf*. New color schemes in the living and working spaces have been designed to increase efficiency and morale. Operating machinery and instruments have been "human engineered" to reduce fatigue and extend the period of top efficiency for crew members.

A reunion of old shipmates who served in *Seawolf* during World War II was held July 20 at the Mohican Hotel in New London. More than 50 men were to be on hand for the get-together. Among those planning to attend were old "seawolves" from Aztec, N. Mex.; Durango, Colo.; and one from Mount Vernon, Ind., who arrived on motorcycle.

Mrs. Nancy Brindupke Cole, matron of honor at the *Seawolf* launching today, is steeped in submarine tradition. Her late father, Comdr. C. F. Brindupke, United States Navy, was in command of the submarine *Tullibee* when it was lost in the Pacific in 1944. Her stepfather, Capt. John Davidson, United States Navy, had command of two submarines in world war II, the *Mackerel* and the *Blackfish*. Her husband, Lt. (jg.) W. S. Cole, United States Navy, is now serving in the submarine *Sea Robin*.

The *Seawolf* is the 229th submarine built by Electric Boat for the United States Navy. Electric Boat is the only civilian builder of submarines in the United States.

If all the blueprints used in the construction of the *Seawolf* were laid end to end they would make a path 30 inches wide from Groton to Washington, D. C. They would cover an area of more than 100 acres.

On the building ways adjacent to the *Seawolf* is the partially completed *Darter*, a conventional diesel-powered submarine of the *Tang* attack class.

Comdr. Richard B. Laning, United States Navy, the prospective commanding officer of the new *Seawolf*, comes from a Navy family. His father is Rear Adm. Richard H. Laning, Medical Corps, United States Navy, retired; he has 2 brothers, Robert and George, who are naval officers, and 1 brother, Edward, who is a Marine flier. Commander Laning's sister, who served in the WAVES in World War II, is married to a submarine officer in the Reserves.

Capt. Robert L. Moore, Jr., United States Navy, supervisor of shipbuilding and naval inspector of ordnance at Groton, has the immediate Navy responsibility for the construction of the *Seawolf*. Captain Moore is well qualified for his position. He took a course in advanced nuclear engineering at MIT and served in the Bureau of Ships as head of the engineering and research group of the nuclear power division, assisting in the design and development of nuclear propulsion plants for naval vessels. He is also a qualified submariner.

Electric Boat, shipbuilders, installed 205,920 feet of electrical cable in the *Seawolf*, or enough cable to reach from bow to stern almost 700 times. There are also 89,760 feet of piping and tubing in the Navy's newest nuclear submarine.

The agency of the Navy which is responsible for the design and construction of the *Seawolf*, is the Bureau of Ships. It is the duty of BuShips to develop, design, and construct or have constructed all Navy ships.

The keel of the *Seawolf* SSN575 was laid on September 15, 1953 by Robert B. Anderson, then Secretary of the Navy. Mr. Anderson's initials are welded on the keel plate and are a permanent part of the *Seawolf*. Mr. Anderson, now Deputy Secretary of Defense, will attend the launching.

After the *Seawolf* has slipped down the launching ways into the Thames River, she will be towed to an Electric Boat wet dock where work on the nuclear-powered vessel will continue.

The sponsor of the *Seawolf* of World War II fame, Mrs. Edward C. Kalbfus, is one of the distinguished guests at the launching. Mrs. Kalbfus, widow of the late Rear Adm. Edward C. Kalbfus, United States Navy, retired, christened the *Seawolf* SS197 at Portsmouth, N. H., on August 15, 1939.

As the *Seawolf* experiences her first dip in the Thames River, United States Navy planes from the naval air station at Quonset Point, R. I., will fly over in salute to the Navy's newest atomic-powered submarine.

Three former *Seawolf* captains will witness the christening of the new *Seawolf*. On hand for the launching are Capt. Henry Martin Jensen, United States Navy, retired, first commanding officer of the first *Seawolf*, Rear Adm. Royce L. Gross, United States Navy, retired, and Capt. R. B. Lynch, United States Navy, both of whom commanded the second *Seawolf* on patrols in World War II.

Until launched, the *Seawolf* will be held on the ways by a steel trigger sticking up from underneath. At a signal from the sponsor's party, a lever is tripped and the trigger is turned down so that the ship and its supporting cradle is free to slide. Should she stick, hydraulic rams mounted at the head of the ways will give her a shove to start her moving.

FACT SHEET ON COMMANDER RICHARD B. LANING, UNITED STATES NAVY, PROSPECTIVE COMMANDING OFFICER OF "SEAWOLF" (SSN575)

Commander Laning has served on 5 submarines and 2 aircraft carriers since graduating from the United States Naval Academy in the class of 1940. He is the son of Rear Adm. and Mrs. Richard Henry Laning, Medical Corps, United States Navy (retired), of Amherst, Va.

He has two brothers, Robert and George, who are naval officers, and a third brother, Edward, who is a Marine flyer. He also has a sister who served in the WAVE's during World War II.

Prior to attending the submarine school at New London, Conn., Commander Laning served on board the carriers *Yorktown* and *Hornet*. He was then assigned to the submarine, U. S. S. *Salmon* which was badly damaged in action. The entire *Salmon* crew was then transferred to another submarine, the U. S. S. *Stickleback*.

Since World War II he has commanded three submarines, the U. S. S. *Pilotfish*, U. S. S. *Trutta*, and the U. S. S. *Harder*.

The *Seawolf* is the second electric boat-built submarine which Commander Laning has commissioned. The *Harder*, a Tang-class boat, was commissioned in August 1952 with Laning as the skipper.

The prospective *Seawolf* commanding officer has had considerable schooling in preparation for his new command. He took a postgraduate course at the Naval Academy in 1947 and spent 2 years at the University of California at Berkeley where he was awarded a master of science degree in biophysics.

In addition he has taken specialized training in nuclear physics at Oak Ridge, Tenn., and Albuquerque, N. Mex. In 1954 he reported to the Schenectady, N. Y., area office of the Atomic Energy Commission where the *Seawolf* reactor is being built by General Electric Co.

Commander Laning was awarded the Bronze Star Medal with combat "V" and the Silver Star Medal. In addition he wears the Presidential Unit Citation ribbon and the Navy Commendation ribbon.

He is married to the formed Ruth Richmond and they have 2 daughters, Christine, age 9; and Lucille, age 5.

ELECTRIC BOAT BACKGROUND

Electric Boat is 1 of 5 divisions of General Dynamics Corp. Other divisions include Convair, Stromberg-Carlson, Electro-Dynamics, and General Atomic. Canadair, Ltd., General Dynamics subsidiary, is located in Montreal, Canada.

In addition to submarines, General Dynamics is a leading producer of military and commercial aircraft, guided missiles, telephone and electronics equipment, and specialized types of electric motors.

For more than a half century, Electric Boat has been building submersibles. Today's launching of the *Seawolf* makes 229 submarines which Electric Boat has built for the United States. Another 100 have been built for allied nations.

Work at the division now includes completion of the *Seawolf* and construction on the conventional-powered submarine *Darter* on the south yard building ways. Electric Boat has been designated by the Navy for construction of a third nuclear-powered submarine as yet unnamed.

Principal General Dynamics officials at the Electric Boat division are:

Carleton Shugg, a General Dynamics' vice president and general manager of Electric Boat; joined Electric Boat in 1951 after holding top executive positions with the Atomic Energy Commission and the shipbuilding industry.

Rear Adm. Andrew I. McKee, United States Navy, retired, a corporation vice president and director of research and design at Electric Boat. Extensive submarine construction experience in Navy and regarded as leading submarine designer.

VITAL STATISTICS ON THE SUBMARINE "SEAWOLF" (SSN575)

Builder: Electric Boat Division of General Dynamics Corp.

Length: About 330 feet.

Breadth (at widest point): About 27 feet.

Keel laid: September 15, 1953, by Robert B. Anderson, Deputy Secretary of Defense.

Christening: July 21, 1955, by Mrs. W. Sterling Cole.

Delivery: 1956.

Number of crew: About 100.

Speed: Over 20 knots.

Displacement (surface): About 3,000 tons.

Main propulsion: Reactor-fired steam turbine (sodium cooled reactor).

Auxiliary propulsion: Storage battery and diesel electric drive.
Miles of electric cable: 39.
Miles of pipe and tubing: 17.
Miles of blueprint issued: 400.
Number of drawings made: 2,200.
Number of propellers: 2.
Number of items included in ship: More than 1 million.
Daily capacity of water distilling plant: 5,000 gallons.
Cost (exclusive of reactor): $32,700,000.

Respecting the Wishes of Professional People in Social-Security Coverage

EXTENSION OF REMARKS
OF
HON. JIM WRIGHT
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1955

Mr. WRIGHT. Mr. Speaker, I realize how anxious most Members are to complete our labors and adjourn this session of the Congress. Veteran observers, with significantly few exceptions, have noted in terms of highest praise the volume of important and constructive legislation thus far enacted. If we can complete those matters remaining unattended and adjourn at an early date, it will add further credit to this session's record of businesslike accomplishment.

Surely there is one obligation, however, which must transcend our quite natural desire to create a new record in legislative volume performance, and that is the obligation to accord thorough deliberation to each measure which arises and to protect the processes which assure to the membership the opportunity to work its will.

It seems to me that there is a very grave danger involved when we become too much in a hurry. An excellent case in point was the motion last Monday which brought before the membership a compendium of social-security revisions hermetically sealed in a single package, limited discussion to 40 minutes, and denied Members the privilege of a separate vote on any of the varied issues at stake.

This closed rule placed many Members in an extremely embarrassing position. It forced some even to break promises where they had indicated approval for certain of the revisions embodied in that single motion and opposition to others. Other Members were confronted with the uncomfortable choice of either breaking a promise or violating a conviction.

Certain features of the bill seemed unanimously agreed to be necessary and desirable, such as that strengthening the actuarial soundness of the program, and that permitting women to retire at the age of 62.

Other provisions, such as that extending compulsory coverage under the program to the members of 7 professions, seemed highly questionable and at the very least worthy of more extended discussion.

In matters of this kind, involving such groups of self-employed professional men and the Government's role if any in the planning of their future security, it seems to me highly proper that the desires of the people directly affected by such legislation should be an overriding consideration.

Not believing myself sufficiently wise to act in their behalf without knowing their feelings in the matter, I conducted a poll by mail of the members of these professions in my district. In all, some 400 responded.

The results of this poll intensified my delemma in trying to cast an intelligent vote with all the provisions wrapped inseparably together under this "closed rule."

My poll indicated, for instance, that a majority of the lawyers in my district want such coverage, while clearly tending to show that most dentists do not.

It seems to me that an effort should be made to respect the desires of such people when considering an extension which affects none but themselves. Surely this would be preferable to compelling them against their will.

It is encouraging to note that open hearings have been scheduled in the Senate, and it is hoped that separate votes on these varied matters may be permitted in that body.

Why could we not consider a plan of voluntary, rather than compulsory, coverage for those self-employed professional groups whose members desire it?

It has been argued that too many would wait until retirement time nears, then qualify for benefits by participating for only a short period, thus increasing the costs of administering the program.

Yet it seems to me that this particular possibility could be rather easily overcome by some permissive program setting a deadline for beginning participation—say at the age of 35—with those already beyond that age to have 18 months from the effective date of the law in which to decide.

The Members of the House of Representatives have successfully maintained a voluntary retirement system by setting a deadline for declaring oneself in or out. With sufficient imagination and thorough study, it seems not at all impossible that such a permissive plan could be devised for other professional groups of our citizenry.

I do not say that this is the answer. Yet it may possibly provide a means of accomplishing the objective within the framework of individual choice without involving the distasteful means of compulsion. I hope the Senate will carefully consult the wishes of the people directly concerned and will look fully into this possibility.

The Federal Communications Commission

EXTENSION OF REMARKS
OF
HON. WILLIAM G. BRAY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1955

Mr. BRAY. Mr. Speaker, a free press has become one of the strongest foundations of our democratic form of government, and one without which our system could not survive. The first amendment of the Constitution says, "Congress shall make no law * * * abridging the freedom of speech, or of the press." The fight to maintain and protect that freedom has been continuous since our first days as a Republic.

It is natural enough for any person or group of persons to believe that his opinions are right, and others' are wrong. But one of the main responsibilities of Congress, and of the courts, is to protect the right of the press to express its editorial opinions free from intimidation by any individual, organization or governmental power. However much we may disagree at times with the press, it is our duty to safeguard that freedom accorded it by the Constitution. We must keep a most watchful eye on any commission or bureau of the Government which may attempt to control the dissemination of news.

Of course the governmental agency which most obviously touches on the communications media of our Nation is the Federal Communications Commission. The advent of radio and television broadcasting, and the regulation entrusted by Congress to the FCC, have resulted in ever-increasing contacts between the press and the Government. Every caution that these contacts do not result in intimidation or quasi-censorship must be exercised.

The FCC must act as arbitrator in determining which parties should be given television permits; and this authority increases the duty of the FCC to tread carefully in consideration of our freedoms. A recent examiner's report on an application for a television franchise spent a considerable portion of the report criticizing the editorial policy of a certain newspaper, the principal owner of which was also the principal stockholder in one of the companies which sought the TV permit. No one would deny that the FCC has the right to consider the possible effects of a communications monopoly which might be created by granting a TV permit to the owners of radio or newspaper interests.

However, the Commission must not attempt to evaluate the content of an applicant's newspaper editorials. And certainly such considerations should play no part in deciding which applicant gets the TV permit. Such a precedent could lead to terrible abuses, such as closing the airwaves to applicants who have shown an editorial policy contrary to the political opinion of the FCC. It might go beyond considerations of party, and act against applicants who expressed certain views on public power or tariff legislation or on any economic, social, or political opinion. Such a precedent could well be the beginning of a governmental step toward thought control. We must ever be on guard against the infringement of free expression of opinions in our Republic.

There is no evidence that the Commission has adopted the philosophy indicated in this examiner's report. There is now pending in Congress a bill stating that "In no event, however, shall the Commission in any proceeding give any

significance to the editorial policy of a newspaper." The legislative action on the subject seems warranted, and I believe the bills now pending which deal with this subject deserve consideration by this Congress.

Legal Opinion Backs Stand of Upper Colorado River Basin States

EXTENSION OF REMARKS
OF
HON. HENRY ALDOUS DIXON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1955

Mr. DIXON. Mr. Speaker, southern California long has opposed the Colorado River storage project on a multiplicity of grounds, although seldom mentioning its real reason for this opposition. I submit that the true reason is its intention to appropriate the upper basin's share of the Colorado River system as well as their own, by a program of deliberate delay of the Colorado River storage project, regardless of the means used in bringing about such delay.

We of the upper basin long have been aware of the lengths the southern California water lobby would go, but even we were astounded when the Honorable CLYDE DOYLE, of California, asserted earlier this week that any project authorization should await a suit pending in the Supreme Court in which Arizona seeks to quiet title to certain shares of water in the Colorado River system. California is the defendant.

This is an amazing statement in view of the report this week by the special master assigned by the Supreme Court to study this matter and to make a recommendation to the court.

The special master, the Honorable George I. Haight, was appointed on June 1, 1954, and directed to find the facts, state his conclusions and submit a draft of the decree recommended by him, specifically on California's attempts to bring the upper basin States into the suit as full parties.

The special master recommended that the upper-basin States need not be drawn into the suit. He excepted, of course, Utah and New Mexico, and only so far as to allow them to protect interests they have because small parts of these States are within the lower basin and the special master specifically ordered that these States be included only in relation to their respective lower-basin waters.

This ruling of the special master defeats another southern California attempt to delay the Colorado River storage project.

Not only did the special master reject the California contention that upper-basin States should be made full parties of the suit, he also emphasized some other important points relative to the Colorado River system, the Colorado River compact, and the rights of the various basins in the overall matter.

The special master has this to say about the compact which California seems to want to ignore:

The Colorado River compact evidences far-seeing practical statesmanship. The division of the Colorado River system waters into upper and lower basins was and is one of its most important features. It left to each basin the solution of the problems of that basin and did not tie to either basin the intrabasin problems of the other.

Southern California has attempted to dictate how we of the upper basin shall put our water to use. The special master says this:

How beneficial consumptive use shall be measured in each basin is a question for each basin to determine so long as the Colorado River compact endures. The quantities of water for the upper basin and its obligations to deliver are fixed by the Colorado River compact; (2) what matter how the individual basins measure beneficial consumptive use so long as it is possible to interpolate the two methods; and (3) as long as the upper basin is not using its entire apportionment (here no party alleges that it is), how can it be said that they are interested in the system used in the lower basin.

If ever there was a question about further delay pending the special master's report, that question has been definitely erased. This recommendation by the distinguished special master, appointed by the Supreme Court, gives another green light to a project that will benefit the entire United States. I refer to the Colorado River storage project, which I urge you to support regardless of the water-hog attitude of the southern California water lobby.

So that the record may be complete, I am including as an extension of my remarks the conclusions and recommendations of the special master, dated July 11, 1955, at Chicago, Ill.:

CONCLUSIONS

I conclude as follows:

1. No original party to the cause and no intervener charges any wrongful acts of commission or omission against the upper basin States, or presents any prayer for relief against them.

2. The Colorado River Compact divided the Colorado River system into two separate and distinct basins.

3. By the Colorado River Compact, each basin was left to make its own intrabasin allocations of the use of its water.

4. In 1949 the upper basin States entered into a compact, the Upper Colorado River Basin Compact, which was approved by the Congress of the United States.

5. The upper basin States have since been and now are operating under that compact.

6. By that compact, they settled among themselves the interbasin rights to the use of its waters, and also settled among themselves several upper basin questions which in the lower basin and in respect to its waters are now in controversy in this cause.

7. There is presently no legal or equitable reason for this court to disturb the operation of the Upper Colorado River Basin Compact, which result might come by joining these upper basin States as parties to this cause.

8. The States of the upper basin do not wish to join as parties in the instant cause. They resist the motion to join them.

9. To join them would be a backward and retarding step with respect to the solution of problems relating to the Colorado River system.

10. To now join the upper basin States in this cause with respect to upper basin waters would not tend to avoid litigation but would presently promote it.

11. The upper basin States in their capacities as such presently have no legal or equitable interest in the instant cause.

12. As to the upper basin States as such, there is no existent justiciable controversy between them and the present parties to this cause.

13. The United States, as intervener, has not enlarged the scope of the instant cause.

14. The interest of the United States in this proceeding is confined to its rights relating to waters of the lower basin.

15. Whatever the possibility of future controversy may be, there exists in such possibility no sound equitable reason for now joining the upper basin States as such in the instant litigation.

16. A decree can be soundly entered in this cause that will not affect the upper basin States with respect to rights to water or the use of waters in the upper basin.

17. The motion filed herein on July 15, 1954, by the California defendants to join upper basin States as parties ought to be denied as to Colorado and Wyoming, and denied as to Utah and New Mexico in their capacities as upper basin States.

18. Utah and New Mexico each has interests in the lower basin. These interests are small in comparison to the interests in lower basin water of the lower basin States, particularly California and Arizona. However small, they are substantial and important to Utah and to New Mexico, and likely will be so considered by dwellers in the areas having use and need for Colorado River water.

19. In the equitable allocation of the waters of the lower basin, the decree should not overlook these relatively small, but nevertheless substantial, interests.

20. The respective interests of Utah and New Mexico in lower basin waters are adverse to the interests of California, Nevada, Arizona, and the United States in lower basin waters. A justiciable controversy presently exists respecting these lower basin waters which involves substantial interests of Utah and New Mexico therein. In order to make equitable allocations of the use of lower basin waters in this case, New Mexico and Utah are necessary and indispensable parties.

21. With respect to Utah and New Mexico in their capacities as lower basin States, and only to the extent of their respective interests in lower basin waters, the motion should be allowed, and allowed separately as to each of them.

Hon. Edith Nourse Rogers, of Massachusetts

EXTENSION OF REMARKS
OF
HON. GORDON CANFIELD
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1955

Mr. CANFIELD. Mr. Speaker, recently I stopped at a gasoline station in Watertown, Mass., and while a young man was refueling my car, I said to him: "Who is the Congressman from this district?" He beamed as he replied: "She's a lady and her name is EDITH NOURSE ROGERS. She's the salt of the earth and everybody's for her because she is always doing things for folks most in need."

It developed in our brief conversation that the young man was a World War II veteran whom Mrs. ROGERS had helped in

some relationship with the Veterans' Administration.

Circulating through the Fifth Congressional District of Massachusetts, I picked up much additional evidence bearing on the affection that the voters, both Republican and Democrat, have for "the gentle lady from Massachusetts." They are all for her because she is all for them and her every-day dedication to their best interests is a favorite topic of the area.

I regret I was not present some weeks back when our distinguished colleague was accorded many richly deserved encomiums on the anniversary of her 30th year as a Representative in Congress. Mrs. ROGERS has been most kind to me during my congressional service and I know something of her love of country and her intense devotion to those who have rendered service in our Armed Forces, particularly those who bear the scars of conflict. These have never had a better friend and I feel certain that this is realized throughout the Nation.

It was through Mrs. ROGERS that I first learned of the remarkable work being done by those dedicated men and women out at the Prosthetic Laboratory at Forest Glen in Maryland. Our veteran amputees look forward so much to her daily visits.

The New York Herald Tribune of last Sunday, July 24, 1955, under the caption "Mrs. ROGERS Has World's Record" said:

> One of the things not discussed in laudatory congratulations to Mrs. EDITH NOURSE ROGERS on her recent observance of 30 years service in the House was that this tenure established a world's record. She has served longer than any other woman in history continuously in a national legislative assembly.
>
> The "Lady from Lowell," Mass., has served in Congress since June 30, 1925, when she was chosen to succeed her deceased husband, has held a major chairmanship, something no Republican woman representative ever did previously.

Every Member of the House knows Mrs. ROGERS as an untiring crusader for the causes in which she believes and following her in just one day's routine makes it easy for one to understand why the young attendant at that Watertown, Mass. gasoline station called her "the salt of the earth."

A Bill To Relieve Aliens of an Unnecessary Trip To Canada

EXTENSION OF REMARKS
OF

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1955

Mr. REUSS. Mr. Speaker, the case of Jane Edith Thomas has highlighted an inequity in our immigration laws that should be corrected. I have today introduced, for appropriate reference, a bill to obviate the senseless trip to Canada now required of aliens in the United States who are otherwise fully eligible to remain here.

Jane Edith Thomas is a 4-year-old girl born at the American hospital in Trieste in 1951. Her father, an American citizen, was a member of the Armed Forces stationed in Trieste. Jane's parents are now back in the United States, having brought Jane with them under a visa issued by the United States consul at Venice. Now it turns out that technically Jane is not yet a United States citizen and hence must be deported to Canada, although she can then, after cooling her heels in the land of our neighbors to the north, reenter this country under a valid visa and in due course gain her United States citizenship.

No earthly purpose is served by putting a 4-year-old girl to the trouble of a trip to Canada, and her parents to the expense and worry of such a trip.

Of all the needlessly harsh features of our immigration laws, none is more absurd than that which makes it necessary for an alien in the United States to make a special trip to Canada to secure an immigration visa in order to obtain permanent residence here. This makeshift procedure is resorted to by aliens in this country who desire to remain here, but have not been admitted for permanent residence, where they meet all the qualifications for admission as immigrants, and for whom a quota number is available if required. There is no explicit statutory provision which prescribes or authorizes this practice. It is an expedient devised by the Immigration and Naturalization Service to legalize the status of aliens who otherwise would have to leave the country or be subject to deportation.

To understand the situation, it is necessary to review the history of this method of adjusting the status of aliens, which is known as preexamination procedure. It was instituted by administrative regulation in 1935, after an agreement was reached with the Canadian Government whereby certain aliens would be granted entry into Canada temporarily for the purpose of applying to an American consular officer for an immigration visa to the United States. The United States authorities agreed to receive the alien back into this country if he was denied an immigration visa. In certain cases an alien who wished to have his status adjusted was examined by the immigration authorities in this country to determine his eligibility for admission. If found eligible and if a quota number was available for him, he was permitted to go to Canada, obtain an immigration visa from the American consular office there, and return to the United States.

Although originally intended as a temporary arrangement pending enactment of legislation by Congress, this "pre-examination procedure" was continued after Congress made provision in 1940 for suspension of deportation in specified hardship cases. To obviate the need for this cumbersome procedure, a provision—section 245—was inserted in the Immigration and Nationality Act of 1952 authorizing certain aliens lawfully in the country as nonimmigrants to obtain an adjustment of status to that of persons admitted for permanent residence by petition to the Attorney General. Unfortunately, this provision does not go far enough. It applies only to a limited class of aliens—those who have entered as bona fide nonimmigrants and who continue to maintain that status, and for whom a quota or nonquota immigration visa is immediately available. If affords no relief if there has been any irregularity in the admission of the alien, even a technical error for which he is not responsible. A person admitted as a citizen cannot obtain an adjustment of status if it is found that his parents had lost his citizenship or could not transmit citizenship under the highly technical provisions of the Nationality Code. Nor is this procedure available to aliens who through misunderstanding of our laws, fear of persecution in their native country, or for other reasons overstay the period of their admission.

Because there are so many meritorious cases for which section 245 of the Immigration and Nationality Act provides no remedy, Congress has been flooded with private bills to adjust the status of individuals. To lighten this burden on Congress, and to avoid the necessity of deporting aliens who have proved themselves to be desirable residents, the Commissioner of Immigration and Naturalization recently revived the preexamination procedure. While this is less harsh on a meritorious alien than deportation, to require him to go to Canada to pick up an immigration visa after he has been found admissible for permanent residence serves no useful purpose whatever. It imposes a wholly unnecessary financial burden on the individual. In many cases, especially with respect to elderly persons, it constitutes a physical hardship as well, one which may endanger their lives or health.

The bill I have today introduced would extend the present remedy for adjustment of status by the Attorney General to all cases where the alien is found admissible for permanent residence if a quota number is immediately available to him or if he is admissible as a nonquota immigrant.

Such a provision would in no way weaken our control over aliens. It would be no obstacle to the deportation of undesirable aliens. Nor would it enable the alien who comes to the United States as a visitor to obtain a preference over persons in foreign countries who have applied for, and are waiting to receive, quota numbers. The Attorney General would be authorized to grant permanent residence to a quota immigrant only if he could obtain a quota number.

Furthermore, the adjustment could be made only where, after a thorough examination, the alien was found to fulfill all requirements for admission as an immigrant. The only substantial change I propose to make is to permit the adjustment to be made without a useless trip to Canada, after the Attorney General determines in accordance with the procedure prescribed by statute that the alien is entitled to the relief now obtained by this roundabout procedure. This change will be a benefit both to the

alien and the Government. It will relieve the alien from the hardship resulting from leaving and reentering the United States. It will also greatly simplify the administration of the law.

The Commonwealth of Puerto Rico

EXTENSION OF REMARKS
OF

HON. A. FERNÓS-ISERN

RESIDENT COMMISSIONER FROM PUERTO RICO
IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1955

Mr. FERNÓS-ISERN. Mr. Speaker, with justified pride, I address myself on this occasion to the House of Representatives of the United States. Three years ago, on the 25th of July of 1952, the flag of the Commonwealth of Puerto Rico was raised for the first time, on the occasion of the inauguration of the new regime which had begun for the people of Puerto Rico. For the first time in their history, they were living under a constitution of their own adoption. Thus the people of Puerto Rico had organized themselves, as a free, self-governing body politic, with sovereign powers in all matters not reserved, under the terms of a solemn compact, to the Government of the United States.

The people of Puerto Rico became then citizens of the Commonwealth of Puerto Rico, but that did not alter the fact that they were and continued to be, loyal citizens of the United States.

The relationships between the Commonwealth of Puerto Rico and the Federal Government albeit parallel are not equal to those of a State of the Union vis-a-vis the Federal Government, but the significance for the people of Puerto Rico of the creation of the Commonwealth was the same as for the people of an incorporated Territory who attain the dignity of statehood.

The creation of the Commonwealth of Puerto Rico was the culmination of a series of events which evolved during the span of half a century and which began early in the century with the recognition of the existence of unincorporated Territories within the United States political system; areas and peoples who are subject to the sovereignty of the United States, but who, according to decisions of the Supreme Court of the United States, "constitutionally are not an integral part of the United States."

A projection, parallel to that of incorporated Territories toward statehood, was then marked for the unincorporated areas. It has led the peoples of those areas into a status of association, by mutual consent, with full enjoyment of self-government and without loss of common citizenship, common defense, and common protection.

As history teaches us, seed of future events lies buried and unrecognized in past events. Looking now in the perspective of half a century, considering the geographical location of Puerto Rico, its demographic and cultural origin, the smallness of its georgraphical limits, the density of its population, the lack of natural resources, the high aspirations of its people, it is seen how, from the starting point of that Supreme Court decision, all these factors conspired and led, by gradual steps, inexorably, towards a formula which would give the people of Puerto Rico the dignity of freedom they craved, together with the security, which they needed if they were to exist, and could not have in isolation.

And so, after 50 years of what might be called the fermentation of thinking and the distillation of ideas, there evolved in the minds of the people of Puerto Rico the happy solution within which they could attain the status of political dignity to which they could aspire without the sacrifice of their security and prosperity.

Thus, with the overwhelming support of the people of Puerto Rico and with the cordial cooperation of the Government of the United States, the Commonwealth of Puerto Rico was born 3 years ago.

I shall eternally be thankful that it devolved upon me to bring the expression of the aspirations of the people of Puerto Rico before the consideration of Congress, when I introduced H. R. 7674, on March 13, 1950, which became Public Law 600 of the 81st Congress, establishing the compact and authorizing the creation of the Commonwealth.

I shall be thankful again that I had the honor to preside over the Constitutional Convention of Puerto Rico from September 1951 to February 1952, and that again I was privileged to introduce the joint resolution which became Public Law 447 of the 82d Congress, ratifying the Constitution of Puerto Rico.

I shall live eternally thankful to the Congress that both in 1950 and in 1952, almost unanimously adopted both pieces of legislation.

My legislative duties have not allowed me to be in Puerto Rico today, to participate with my people in the enjoyment they feel, mindful of the fact that on the very same date that we celebrate this anniversary, we also celebrate the anniversary of the landing of United States troops in Puerto Rico, an event which took place on the 25th of July of 1898, under the command of Gen. Nelson A. Miles. That was the beginning of the association of the people of Puerto Rico with their fellow citizens of the United States.

But the fact that I cannot be today in Puerto Rico, is amply compensated for by the fact that I can be here today with my colleagues of the House, to whom I am so deeply indebted for their spirit of generosity, fairness, and kindness toward the people of Puerto Rico.

I have had the honor of speaking, in the name of the United States, before the corresponding committees of the United Nations, when the status of Puerto Rico was there considered. As an alternate delegate of the United States, I presented there the reasons why the United States was justified in ceasing to report to the United Nations on Puerto Rico, as provided under the charter for dependent areas, since Puerto Rico had ceased to be a dependent area.

I found opposition there from such sources as naturally would be expected, but I found there the support, the understanding, and the applause for the United States and for Puerto Rico from the majority of the peoples there represented. The majority of the peoples of the New World, who speak the same language as the people of Puerto Rico and who have with the people of Puerto Rico a common origin and a common cultural heritage—especially did they express their deep satisfaction with the action taken by the United States.

Our good neighbors of the South American Continent, of the Caribbean islands, of Central America, with few exceptions, all heartily supported the United States in its decision. The praise I heard for the United States and for what the United States had done for Puerto Rico, made me proud to be a citizen of the United States, and proud that the United States received those expressions of applause and just recognition on the occasion of having done justice to Puerto Rico.

The association of the people of Puerto Rico and the people of the United States is based now on a compact, on legal documents, as it should be. But it has much more solid and much deeper basis. It is based on common relationships, on common history, on common devotion to common principles.

The blood of Puerto Rico's youth flowed in Korea for the same principle and under the same colors as the blood of the other youth from the 48 States which form this Nation. To the credit of Puerto Rico, by far a very large number of those young men who there bled and died, did not go there because they were called to duty under provisions of law, but because they volunteered of their own accord to do their duty.

Mr. Speaker, let me express my thought that the existence and development of the Commonwealth of Puerto Rico is a credit to the people of Puerto Rico and it is a credit to the people of the United States. Let me express my faith in the principles that have united us so firmly. Let me express my certainty that the association of the people of Puerto Rico to our mainland fellow citizens shall remain forever as firm as it is today.

Farmers' Home Administration Makes Progress in Assisting Family-Type Farmers

EXTENSION OF REMARKS
OF

HON. WILLIAM S. HILL

OF COLORADO
IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1955

Mr. HILL. Mr. Speaker, about a year ago I took occasion to call your attention to an agency in the United States Department of Agriculture, the Farmers' Home Administration, where some remarkable improvements have been made under the Eisenhower administration.

Today I would like to bring the account of that fine record up to date.

Last year I pointed out that during the first full year under the Eisenhower administration the Farmers' Home Administration made or insured loans totaling more than $292 million. This was a 28-percent increase over the amount loaned in 1953, and more funds had been advanced in 1953 than in any previous year. During this current fiscal year the agency has continued to provide farmers of the Nation with credit at approximately the same volume.

The agency has continued to use most of its credit to help operators of family-type farms finance improvements in their operations, and purchase and improve farms. In this group are many young farmers who if it were not for the Farmers' Home Administration would not be able to obtain the credit they need to become firmly established in agriculture.

In addition, the agency has carried on a number of emergency loan programs which serve the credit needs of all farmers, including the small ones. These loans which include the special livestock loans and the economic emergency loans authorized by the 83d Congress have been lifesavers for thousands of drought-stricken ranchers and cattlemen.

I have said many times that in my opinion, the special emergency loans that the 83d Congress made available were a major factor in saving the livestock industry during the critical period in 1953. Altogether more than $53 million was advanced to cattlemen to help them carry on their operations until drought conditions eased and the market stabilized.

During the past 2 years the amount advanced for all types of emergency credit totals approximately $181 million.

Along with the emergency loans, in the drought-stricken areas, during the past year the county committees of the Farmers' Home Administration were assigned the responsibility for approving applications for emergency feed assistance. These committees with the help of the county office staffs handled this assignment in a commendable manner.

I want to pay special tribute to those committeemen. They receive only a nominal sum for their efforts and they give freely of their own time for the benefit of their community.

I pointed out last year that a number of steps have been taken under the Eisenhower administration to enable this agency to render a better service on a more efficient basis. Additional progress has been made along this line during the past year. For example, when the revised farm ownership loan regulations were placed into effect last January 31, sufficient streamlining had taken place to enable the number of pages in the regulations to be reduced from 75 to 18. The number of forms used in making these loans were cut one-third. The number of times a farmer had to sign his name in order to obtain a farm-ownership loan was reduced almost 50 percent. This, I believe, is indicative of the careful way that all of the operations of the agency have been reviewed and improved.

Last year I told you about a bill that had been passed that would enable the Farmers Home Administration to make more insured loans and thus enable it to serve the credit needs of a larger number of farmers. They have had almost a year's experience with this expanded insured loan program, and I want to tell you the record is impressive. The total amount of farm ownership loans insured so far this year—these are the loans that are made to improve, enlarge, and purchase family type farms—the total amount of these loans insured is $30,400,000, or three times the amount insured last year. This sets an alltime record.

The largest amount of farm ownership loans ever insured before in any one year was back in 1951, when $17,500,000 worth of loans were made in this fashion. In addition, approximately $15 million of the new soil- and water-conservation loans have been insured since last fall.

These insured loans have two advantages: They enable the agency to serve the credit needs of more farmers. Also the insured loans reduce the amount that needs to be borrowed from the United States Treasury; for private lenders, banks, insurance companies, and other investors supply the funds from which the insured loans are made.

When the insured loan program was enlarged early last fall, Farmers Home Administration, with the advice and guidance of a representative group of private lenders, made a number of improvements in the administration of the program, cutting out red tape and making the loans generally more attractive as investments. Lenders in return have responded wholeheartedly, have committed more than $81 million, and appear willing to finance additional amounts in the months to come. This, I believe, is real progress.

I also mentioned last year the passage by the 83d Congress of a soil and water conservation loan program. This program has been in operation for about 9 months and it, too, has set an impressive record. What the 83d Congress did in respect to this program is this: First it extended the water facilities program which had been operating only on a direct loan basis and only in the Western States to the entire United States. In addition, it provided for insured as well as direct loans. This expansion made available throughout the country, credit for irrigation systems, farmstead water supplies—a type of credit that has become increasingly popular during the dry spells of recent years. In addition, the 83d Congress added to the water facilities loan, authority to loan funds both insured and direct, for soil conservation purposes. This authority likewise is available throughout the United States. The soil conservation loan enables farmers and ranchers to borrow funds to carry out soil conservation measures that are needed today for the protection of our Nation's soil resources. Without this credit available it is likely these measures would not be carried out for years to come. During that time the elements would further deteriorate, erode, blow, and wash away soil upon which our future and the future of our children depend. The loans will put a checkrein on that.

More than $18,800,000 was advanced for these loans this year. I expect the program to continue its expansion for months to come. R. B. McLeaish, Administrator of the Farmers' Home Administration, who incidentally has done a grand job placing that agency on a solid basis, tells me that the irrigation loans are now fairly well known throughout the country but that many farmers are not aware of the fact that they can borrow funds for soil conservation. I understand he is taking steps to make sure that this new type of credit is known throughout all farming areas in the country.

The collection record established by the Farmers' Home Administration is good despite the fact that the farm families who borrow are those who, at the time they applied for credit, were unable to obtain loans from banks or other reputable lenders.

A large proportion of the real estate loans, although made for 40 years, are being repaid well ahead of time. The bulk of the loans for farm operating expenses are also being paid on time. This speaks well for the understanding regarding repayments that the agency works out with the borrowers. It speaks well for the economic progress the borrower families are making through the wise use of Government credit. It speaks well for the attitude that American families hold in regard to repaying their debts.

The agency is also placing a great deal of emphasis on graduating borrowers to regularly established lending institutions as quickly as possible. The average operating loan borrower repays his loan in about 4 years. Each year from 20,000 to 25,000 farmers pay off their indebtedness to the Farmers' Home Administration. While some of these borrowers find it necessary to call upon the agency for assistance in future years, most of them continue to farm without further Government credit.

All in all, I would say that the prospects of the farmers receiving adequate service from this agency during the coming year are very good. There is no reason to believe that the first record that has been established for the past 2 years will be in any way diminished; in fact it may be improved upon. Funds that have already been appropriated, plus the funds that are obtained from private lenders for insured loans will enable the agency to carry on its operations at about the same level. In fact there is every reason to believe that the insured loan business will continue the rapid expansion that was begun in the past year.

In addition, I understand that the Department of Agriculture is developing an expanded credit program for the Southern Great Plains States based upon the recommendations made at a meeting of the Great Plains Council in Denver early in June. This credit program will further expand the usefulness of this agency in the Great Plains area and will, of

course, be of great service to the farmers and ranchers who need to reorganize their operations in order to make proper use of the land and develop the type of farming that is best suited for that area.

The way this program is being handled, and the service this agency is providing the farmers, is a fine example of the good government practiced by this administration, and an equally fine service to the farmers and ranchers who form the foundation stone upon which our Nation rests.

Townsend-Plan Legislation

EXTENSION OF REMARKS
OF
HON. JAMES ROOSEVELT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1955

Mr. ROOSEVELT. Mr. Speaker, it was my intention to join my distinguished colleague, the Honorable GEORGE RHODES, and other cosponsors of the Townsend-plan legislation, H. R. 4471 and H. R. 4472, in voicing my support for consideration of this legislation. However, it was impossible for me to be present at that time. I would like, therefore, to insert into the CONGRESSIONAL RECORD a summarization of my position on the Townsend plan, which I described in greater detail at the Townsend convention last May 2 in St. Petersburg, Fla.:

EXCERPT FROM SPEECH BY REPRESENTATIVE JAMES ROOSEVELT, DEMOCRAT, OF CALIFORNIA, AT THE TOWNSEND CONVENTION AT ST. PETERSBURG, FLA., ON MAY 2, 1955

Some people still insist the Townsend plan hasn't a chance of becoming law. I say this: Within the foreseeable future most of the principles of the Townsend plan will appear in the Social Security Act.

You are not fighting a losing cause. Some of the most important things you stand for will be the law of the land. And the time when they will be is not so far away. Here are points of the Townsend plan which I expect to see adopted:

Eligibility for benefits at the age of 60: This is proposed in many bills introduced in this first session of the 84th Congress. It recognizes the hard facts of economic life today.

Universal coverage: We have seen coverage under the original security law steadily widened. Last year the doors were opened to some 10 million people. The time will come when every American will automatically qualify on reaching a specified age.

Pensions as a matter of right: This goes with universal coverage. Old-age assistance will be abandoned. And with it will go the means test, the pauper's oath, the lien law, publicizing of the names of recipients of public assistance, and other distasteful features of old-age assistance as we have it today.

Pensions adequate to the cost of living: I myself am sponsoring a bill to establish a basic minimum of $100 a month. Maybe that is, in fact, not enough. But it would represent a considerable step forward and we can adjust as we go along. Benefits will be adequate in time. Of that I am sure.

These are the principles of the Townsend plan which I predict will be adopted in not too long a time. Now let me say that maybe credit will not be given the Townsend organization. But those acquainted with the history of social-security improvements will know where the credit belongs.

You members of this organization are fighting a good fight. You are fighting for a cause in which you believe. You are fighting for a program which you believe would be good not only for older Americans but for the entire Nation.

Our present system of social security, as you all know, originated under my father in the New Deal years. It was intended to meet a need of the time. He never claimed it was the final answer. He always said that programs must be changed as the times change. They must be revised and brought up to date with current conditions.

One of the essential freedoms which my father so deeply cherished is "freedom from want." The program of social welfare enacted during his presidency was designed to win this freedom for the American people.

As I see it, the Townsend plan is in this tradition. It is squarely aimed at achieving freedom from want. And in this blessed land of ours, so richly endowed with all the needs of a people, this freedom is surely attainable.

Our Unsound Social-Security Setup

EXTENSION OF REMARKS
OF
HON. NOAH M. MASON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1955

Mr. MASON. Mr. Speaker, our unsound, dishonest, inequitable social-security setup that has been sold to the American people as a plan to provide security in their old age has again been extended and made more actuarily unsound than it was before. It really is a plan to tax our children and grandchildren when the time comes to meet the obligations that the present generation supposedly has paid for and are entitled to receive when they reach retirement age. It is a Ponzi-type shell game that is bound to collapse when the load becomes too heavy to carry.

Mr. Speaker, the social-security amendments of 1955—H. R. 7225—proposes that the tax rate for social security shall keep on increasing until it reaches 9 percent in 1975—4½ percent upon employer and 4½ percent upon employee—and 6¾ percent upon all self-employed. This means that the social-security tax load will amount to $20 billion per year by 1975—a colossal tax load superimposed upon the present backbreaking tax load.

Take as an example a farmer with a net income from self-employment of $4,200 in 1975. Assuming that he has a wife and two children and uses the standard deduction, his Federal income tax, under present rates, will be $276. His social-security tax, on the other hand, will be $283.50. In this example, which is a completely average case, the social-security tax, as a percentage of net taxable income, would be in excess of 20 percent. If the same individual had three children, his income tax would be cut to $156 but his social-security tax would still amount to $283.50. In such a case, the latter tax would be the equivalent of a net income tax of 36 percent. Is that the tax load we want to place upon the backs of our children?

Mr. Speaker, the Chicago Tribune carried an editorial in its issue for July 21, 1955, analyzing and summarizing the provisions of H. R. 7225, and stating briefly what the effect of its passage would be. The editorial also points out very clearly wherein the present social-security setup is unsound. Because it is such an excellent summary of the whole subject, I include it as an addition to my remarks, and perhaps as a vindication of the same.

The editorial is as follows:

THE SOMETHING-FOR-NOTHING BOYS

Revisions of the Social Security Act, sponsored by the Democratic majority in Congress and passed by the House on Monday, represent a new low in the something-for-nothing game that the demagogs of the Nation have been playing on the public since 1936.

Not the least distressing part of the exhibition was the part played by Illinois Republicans who know better and who usually can be depended upon to vote their convictions. Just one of them, Representative NOAH MASON, opposed the bill after denouncing it for placing the social-security system on an even more unsound actuarial basis than now obtains. Most of the rest voted for it, apparently depending on Senator BYRD and other conservatives in the Senate to keep it off the lawbooks.

Social security is called insurance. It is not. Insurance is based upon premiums which bear a direct relation to the benefits accrued. The premiums for old-age and survivor insurance, the official name for social security, are collected in equal amounts from employer and employee when the alleged beneficiary is not self-employed. The tax has no relation to the benefits. The law was deliberately written to make higher paid employees pay most of the benefits of lower paid and casual workers.

Furthermore, no one now pays enough into the social security till to provide the benefits he is promised by law. Neither are his employer's tax payments, added to his own, sufficient for this purpose. There is, it is true, a reserve of more than $20 billion in the social-security fund, but this is only because virtually everyone who now works is taxed, while only a relatively small number of persons—about 1 to every 10 persons paying taxes into the fund—are collecting pensions.

When the time comes for the more than 61 million present social-security taxpayers to collect, they will have two sources on which to call for the money. The first is the reserve fund. But there is no money in it. The money has been spent, and Government bonds put in its place. To provide money, other people will have to be taxed to pay off the bonds. But the reserve fund will fall far short of meeting pension requirements, long before the majority of present taxpayers come to collect. The rest of the money will have to come from social security taxes paid by their children and grandchildren, at constantly increasing rates.

The current phase of the something-for-nothing racket consists of a lower pension eligibility age—62 years instead of 65—for women, and the payment of pensions to totally and permanently disabled persons after they reach the age of 50. Disabled persons now are relieved of further pension taxes, but must wait until they are 65 to collect.

To the persons, about 1,300,000, affected by these new provisions, the payments will be largely velvet. They will contribute less and get more. But people who keep on working will be presented with a constantly increasing bill. The cost of the increased benefits will be $2 billion a year during the

next 20 years and $2.5 billions a year thereafter.

The bill raises social-security tax rates beginning next January 1, when employee and employer will have to pay, together, 5 percent of every pay check into the social security fund. Further increases are provided for 1960, 1965, 1970, and 1975, by which time the social-security tax collector will be taking 9 percent of the Nation's payroll.

Experience shows, however, that when the time comes to increase these taxes, Congress will back down. It has done so already more frequently than it has enacted scheduled increases. All that does is shift more of the burden to future generations.

The man who retorted to a plea to think of posterity with the question, "What did posterity ever do for me?" now has his answer. Posterity is going to pay his old-age pension. Or will it?

Posterity can vote, too, and the increasing burdens of social security are going to make it less popular politically as the taxes necessary to keep the system solvent mount higher and higher. That, of course, is of no consequence to the something-for-nothing Democrats in the House. They aren't looking for posterity's votes—only those of the 1,300,000 whose benefits, if the Senate concurs, will be increased a few months before the polls open next year.

Third Anniversary of the Commonwealth of Puerto Rico

EXTENSION OF REMARKS
OF
HON. CLAIR ENGLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1955

Mr. ENGLE. Mr. Speaker, on June 23, 1955, this Chamber unanimously passed House Concurrent Resolution 149 which refuted colonialism as a denial of the inalienable rights of man and supported as a policy of the United States the policy of championing the people of the world in their efforts to achieve self-government or independence so as to permit them to assume an equal station amongst the free nations of the world. This action by the House which was later followed by the Senate served notice that the United States will not be identified with colonialistic policies.

Three years ago today there was created as a result of similar action by the House and Senate the Commonwealth of Puerto Rico. The terms of the enabling act which made this possible served similar notice at that time that the United States scorned colonialistic policies and believed in and promoted the principles of self-government, and all of the attributes thereof. It was thus that the Commonwealth of Puerto Rico was created. It was thus that the United States showed it did not merely talk freedom and self-government, but practiced freedom and self-government for those under the Stars and Stripes.

The people of Puerto Rico through their Resident Commissioner petitioned Congress for authority to organize themselves into a commonwealth government, associated with the United States under an arrangement of specified relationships agreed to in the nature of a compact. This political development was certainly something new to the United States, and for that matter to the world. Political scientists were interested in its characteristics, ultimate development, and workability.

That the commonwealth idea has been successful comes as no surprise to the Puerto Rican leaders who conceived it and the Puerto Rican people who gave it enthusiastic support. As to those who studied its emergence, it has proved almost flawless. It is indeed significant to note that whereas in recent years and months and even weeks, both the smoldering and violent unrest of the remaining colonial peoples has been continually manifest, whereas in Puerto Rico, energies have been devoted not to violence and protest, but to continual attention to what must still be done to perfect details pertaining to political relationships with the United States and economic development in the island.

Many of the Members here have been to Puerto Rico. Some have recently followed up earlier visits. All are impressed with the almost unbelievable speed and degree of progress which is being made and the tremendous activity toward development and improvement. Especially those who are making second and third visits are struck by the changes which have occurred since their earlier visit.

This is what happens when a free and happy people are unhampered to devote themselves to their own self-improvement. In Puerto Rico they call it Operation Bootstrap—the uplifting through self-effort.

The action which the Congress took to make possible the creation of the Commonwealth of Puerto Rico has proved to be a wise move in more ways than one. Not only are these 2¼ million American citizens working together for economic progress, but the commonwealth has proved itself to be one of the weapons in the United States arsenal against communism. It is significant that there is no problem with Communists in Puerto Rico. It is significant, also, that Puerto Rico is continually host to great numbers of visitors from South American and from all the undeveloped countries of the world to view this indisputable example of what is possible where there is given understanding and recognition of the freedom-craving heart that beats in every man, where there is cooperation, and where a helping hand is offered when it is needed.

Students throughout the free world are studying the commonwealth precept as exemplified by the case of Puerto Rico. Admittedly, it was a political experiment. Convincingly, it has proved successful.

So, today, on the third anniversary of the Commonwealth of Puerto Rico, just 53 years after the landing of the American troops in the island during the Spanish American war, it is appropriate to give proper recognition here and to extend best wishes to the Puerto Rican people in their work that lies ahead to complete the task for the welfare of the Puerto Rican people.

Separate Minority Views, H. R. 7474

EXTENSION OF REMARKS
OF
HON. BRUCE ALGER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1955

Mr. ALGER. Mr. Speaker, with our expectation of the highway bill coming up for consideration in the House this week, I would like to call my colleagues' attention to the Davis-Bacon provision which has been incorporated in this bill. I intend to offer an amendment to strike out section 11. There is even a question in my mind whether the Davis-Bacon provision can be considered germane to the bill. If it is, there remains the other strong objections which I have summarized in the separate views of Report No. 1336 accompanying H. R. 7474:

SEPARATE MINORITY VIEWS, H. R. 7474

We are all aware of the danger of overcentralized Federal Government with its vast bureaucracy. Our Founding Fathers propounded and we too have accepted a belief in the basic rights of the several States. This belief is embodied in our Constitution. The course of events in our national life and growth has greatly centralized and emphasized the Federal functions but has not disproved the wisdom, need, and reaffirmation of the original basic concept of our Government, nor have we changed the letter of the law.

Now we have a choice again—whether we will hold fast against further centralization and imposition of Federal will upon the States to the loss of their rights, or whether we will permit the States to continue to manage their affairs.

The Davis-Bacon Act provision in this bill is not just an expression of concern for the workingman's wage, but is a bold frontal assault on the God-given rights recognized by our forefathers and embodies in the limited form of Government set up in the balance between Federal and State authority.

This provision endeavors through the Secretary of Labor to recognize and prescribe the prevailing local wage. Behind this simple statement of intent moves in the Federal bureaucracy to duplicate and take over the work already being done by the State to the extent which local conditions require the State to take part. Obviously, the local prevailing wage must be paid in the past, now, and in the future, or men will not take the work.

What do the workers want? They do not want wages set by a Federal mandate. What the Government bestows it can take away. Are not supply and demand and free negotiation a better basis for wages than a decision from Washington, far removed from the local scene and whose decisions can upset the local economy?

When government is necessary, that government is best that is closest to the people, and if wages must be set let the State exercise this function through the fine highway departments that are now in operation. State officials know more about their own local rates and economic conditions than do Federal officials.

Further, a labor matter, if such this provision is, should be properly considered in the time-honored legislative way by the Labor Committee of Congress and not tied onto this legislation to be railroaded through on the merits of other legislative needs.

How about the cost? Here's a matter which we watchdogs of the public purse must always consider. We agreed in committee that

we wanted the most roads for the money. It has been variously estimated that imposing the Bacon-Davis provision would add to the total cost between 4 percent and 10 percent. At the lower figure this would either add approximately 2,000 million to the cost or result in loss of the equivalent amount of roads.

In brief, the Davis-Bacon provision attempts to gain through this backdoor method the enactment of a Federal labor law not now in force. It has no place in this bill. It should stand on its own merits and be considered by the proper committee of Congress. All other arguments, therefore, for its inclusion, and certainly its merits, are immaterial and irrelevant at this time. Therefore, it should be stricken from this bill.

United States as Minerals Tycoon

EXTENSION OF REMARKS
OF
HON. F. EDWARD HÉBERT
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1955

Mr. HÉBERT. Mr. Speaker, obviously there are certain elements and individuals in our Government who are determined to confiscate private property at the slightest provocation.

Those of us who fought the fight against the tideland grab by the Government, warned at that time that private property was next on the grab list.

Only recently there has developed some outrageous incidents of the Government grabbing private property under the guise of defense, holding the mineral rights to private property under misrepresentation and specifically in the instance of the Department of the Navy, treating a big corporation quite differently from private owners. The incident of the Houma (La.) Air Base is a disgrace and a discredit to the Navy.

Senator RUSSELL LONG, of Louisiana, recently introduced and had passed by the other body a bill which would require the Government to prove the necessity of grabbing mineral rights as a requirement for the national defense before being allowed to deprive individuals of their private holdings.

This legislation is being fought in this body by those who are hell bent on socializing this Government by first taking that which belongs to the several States and now conducting a campaign to take privately owned mineral rights from the individuals. Where will they stop?

The New Orleans Times-Picayune, which has always been alert to this vicious practice, has written an editorial which points up the danger of the situation and I hasten to call it to your attention as a warning signal of what is to come. The fight against such encroachment is far from an end.

UNITED STATES AS MINERALS TYCOON

Senator LONG has a bill, passed by the Senate and now before a House committee, which would fix a slowing-up point for the combined process of original ownership, land purchase, and plain "grab" whereby the Federal Government, according to testimony at a congressional hearing last week, has become the owner of half of the mineral rights in the United States.

Under this measure the Government no longer would acquire mineral rights along with the land it buys for specified purposes unless it can show a compelling need for ownership of the minerals.

Various factors contribute to the Government's mineral-rights ownership outstripping the percentage of its surface-owned land. Oil reserves in such public-domain States as Colorado, New Mexico, Wyoming, could be named. More important probably are the immensely valuable deposits of uranium bearing ore on land so barren and worthless that no one but the Government has ever wanted to own it. Then there was the overnight "grab" of the Continental Shelf's oil reserves, after Louisiana, working with the oil companies, had shown their fabulous value.

More interesting than important to the whole picture is the quaint procedure whereby the Federal land bank retains half the minerals on farmland acquired by foreclosure and later redeemed by the original owner.

Officialdom appeared in full force against the Long bill at the House committee hearing, which, of course, is not news, but Louisianians will find some of their arguments naive. The Interior Department—instigator of the tidelands grab—unblushingly opposed the bill as unnecessary because the Government "should" acquire only real estate "for which it has an absolute need to carry out authorized programs" and when the need is ended should restore the property "to private ownership." The Attorney General's office—up to its ears in litigation over the tidelands grab, cause of the greatest title confusion in the history of the country—expressed to the committee its fear that the Long bill "could create endless litigation and have a confusing effect on land titles."

Had Senator LONG's bill been in effect during World War II, it would not now be necessary for Louisiana Congressmen to be pushing another measure to restore ownership of minerals to Terrebonne parish landowners on land purchased for a naval installation. Indeed it is difficult to see how the Government could justify a need for the ownership of mineral rights save under the most exceptional circumstances. But in case it did so, the landowners and the courts would be on notice that the minerals constituted a valuable property, for which due compensation should be given.

The Honorable Frances P. Bolton, One of America's Outstanding Women, Chosen To Contribute to New Book, The Spiritual Woman

EXTENSION OF REMARKS
OF
HON. BROOKS HAYS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1955

Mr. HAYS of Arkansas. Mr. Speaker, a distinguished Member of this House has written a chapter for a new book that deserves the attention and commendation of her colleagues.

The book is The Spiritual Woman, edited by Marion Turner Sheehan, and of the 14 notable women who have contributed chapters, our greatly respected colleague the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON] wrote on Woman in Politics. This article draws upon the experience Mrs. BOLTON gained in 15 years in the House of Representatives. It expresses her convictions about the religious and spiritual values that are needed in the important profession of legislating for this Nation.

Throughout her life, Mrs. BOLTON has been guided by the highest moral and ethical standards. Only last year, the Washington Pilgrimage named Mrs. BOLTON "Churchwoman of the Year" at the same time it gave President Eisenhower the award of "Churchman of the Year." And I had the privilege of being in the audience at the time this honor was conferred.

It gives me great pleasure to insert into the RECORD the chapter, "Woman in Politics," as written by the Honorable FRANCES P. BOLTON:

WOMAN IN POLITICS

Just at the close of the Second World War three other members of the Committee on Foreign Affairs of the United States House of Representatives and I were sent on a mission to Europe and the Near East. We saw the tragedy of destruction in England and France. The stench of death that was Berlin penetrated our very souls. We walked through the rubble that was Warsaw and its counterpart, Stalingrad. Everywhere we went there was the hideous aftermath of war reflected with unforgettable tragedy in the eyes of the women.

Returning from 2 weeks in Communist Russia with Moscow as our center, we stopped in Rome to avail ourselves of the high privilege of an audience granted us by the Holy Father. In his gracious words of greeting he singled me out (the one woman present), commending me for having recognized my responsibility as a woman to stretch out the walls of my home until they encircled the world.

It is in such wise that I envisage woman in politics.

Politics has many connotations. Primarily it is the science and art of government—yet it is also the machinery by which political parties manage their affairs. Through this machinery the citizenry expresses its will. Participation in these mechanics is both a privilege and a responsibility. We women of this free land have been recognized as full citizens: we have the franchise. We have become partners with men in this extraordinary enterprise which is the Government of these United States. We, as women, bring to this partnership additional gifts, a different understanding, a new approach.

In recent years, when the scarcity of manpower pulled women into many fields heretofore not open to them, they proved their ability to do as well as, and in certain areas even better than, the men they were freeing for more dangerous assignments. So it would seem that women have proven a definite equality of capacity with men that cannot be disputed.

But let us not fall into the error of interpreting "equality" as "sameness"—an identical capacity. It is because the essential reality of our woman's being differs from the essential qualities of man that it becomes more and more important that our voice be heard and our counsel heeded.

Woman is the giver and the protector of life. She is the matrix of God's life on earth. It is around her that the family revolves, the unit upon which civilization is built. She is the mother, the teacher, the counselor, the focal point of love within that unit. In her hands rests the future, for her children are the future. Together with the man of her household, consciously and unconsciously, she points the way, she holds the light. We

know so well that without the father, children are tragically insecure. It is he who faces the outside world and gives protection and strength. But it is the mother who is both inspiration and comforter within the family circle. It is from her that the children discover the joy of sacrificial service for the common good. It is from her that they learn that America is a Nation whose trust is in God—whose strength lies in the belief that love is indeed the fulfilling of the law.

Women have influenced the destiny of nations down the ages. In ancient India, in China, on the islands of the Pacific, there is historic evidence of their power and their vision. Egyptian history is filled with the names of queens who ruled alone or who shared equally with the Pharaoh the great responsibility of government. In ancient Greece and Rome, women played great roles of influence. We have but to turn to Europe to find Isabella in Spain, Elizabeth and Victoria in England, the Maid of Orleans Ste. Joan, who galvanized a nation into action only to be burned to death for her efforts. And in our own times as heads of states, we had Dowager Queen Wilhelmina of the Netherlands, and her capable daughter, the present Queen Juliana, with the second Elizabeth across the channel.

Out of the darkness that covers the earth today will come a new day. An era is being born which will recognize the basic need for woman's influence and judgment upon all levels. The world that is destroying itself was largely a world built upon the overemphasis on the judgment of men alone. It has had its rightful place in the evolution of man upon earth, but the complementary judgment of woman is now being added. The world that is tearing its way into new life will be a world where men and women share the responsibilities for its existence and work shoulder to shoulder, heart to heart, for its establishment and its growth.

We who live today have behind us the courageous women of yesterday who saw the vision and pressed ever onward and upward toward the light. We could not stand where we stand today had these women of other days not excelled in the great reform movements in every field of human activity. Who were some of them? There was Elizabeth Fry who pioneered in prison reform, Elizabeth Garrett who broke new ground in the field of medicine, Florence Nightingale who created an entirely new approach to the relief of human suffering which Clara Barton then instituted as the Red Cross in America. There was Octavia Hill who, by her tireless efforts, awakened society's conscience to the matter of decent housing. And there was Josephine Butler whose outcry that "Injustice is immoral, oppression is immoral, the sacrifice of the interests of the weaker to the stronger is immoral" could well serve as a guideline in our own usages of political power. Closer to us, strong in her certainty of the right, we have our own Susan B. Anthony through whose zeal and indomitable will women were inspired to demand full citizenship. With her were such women as Carrie Chapman Catt, Jane Addams, Lillian D. Wald, and many others, whose lives contributed so much to the initial recognition of women as persons in a civil life.

Because they, and many who remain unsung, lived and worked and demonstrated women's capacities, the way was opened for women to take their place in all areas of national life. That they are doing so in ever-increasing numbers is heartening indeed, for it would seem to show that there has come to women a definite recognition of the new part they must play if the world we are building is to be more nearly the world God meant it to be.

We have grown accustomed to speaking of the Nation's manpower; it is a familiar term. But the newer term "womanpower" is still a little strange to us. We have been accustomed to thinking of ourselves as the weaker sex. Indeed, we have thought of ourselves as a minority, lacking in power, rather than recognizing the reality of numbers and the consequent possibilities of influence. But the 1950 census brought to us the dramatic realization that we are no longer a minority, our numbers topping those of the male population by something like 2 million. This gives new meaning to the picture of women in politics. It means that we must assume the responsibility of numbers. It means that we must accept the fact that we have power, and use it humbly in true service to Almighty God.

Analyses of the 1952 election show that the women of this country, both rich and poor, rose up as a great tide and exercised their right of franchise as never before. As many women voted as men, and the various polls indicate that from 2 to 4 percent more women voted for President Eisenhower than did men. Important as this outpouring of women was, it is but a small part of what every American citizen who is a woman must do if government is to become the instrument of freedom envisaged by those mighty men through whom the spirit moved when our Constitution and the Bill of Rights were inscribed.

We are agreed that the family is the unit upon which civilization is built. We are agreed that, theoretically at least, the man stands between his family and the outside world. We are agreed that within that family the woman is the spiritual and moral force which holds it together, from which its members draw the strength, the fortitude, and the knowledge with which to meet the problems of living as they unfold step by step. I would enlarge upon the suggestion given me in Rome. I would say that in today's world life has taken on new aspects—the complex problems of an industrialized society have taken the mother from her weaving at the hearthside to the textile factories outside the home, to the offices, and to the steel mills. The economic pressures of just bare living have forced women into industry all too often. Home has ceased to be a place of peace and close companionship. It has been invaded by a sense of insecurity—of danger and suspicion. It has all too often become a center of tension and anxiety where there is little chance for peace and love.

Just as women have moved out of the home into industry, children no longer learn the fundamentals of their education at their mother's knee. They have moved into mass public education in huge schools where today there is a shortage of more than 58,000 teachers and 300,000 classrooms. It is too soon to know what the outcome of such a situation will be; it is too soon to evaluate the results. Yet on every side we see the demoralization of the home—the deterioriation of morals of both old and young. The family unit—the center of our civilization—is fast ceasing to have integrity. With their parents seldom at home, can we blame the children if they no longer stay there? It should shock us wideawake to find that a recent report paints the tragic picture of 1 million children picked up by the police in 1 year—young children not even in their teens. Can we blame some of their mothers if they must be at work to make possible the food and clothing necessary to the life and growth of these very children? Such things as these are the necessities of life. They do not represent the luxuries for which, unfortunately, some mothers abandon their homes in an effort to accumulate more and more material conveniences and thereby deny their children the more important spiritual and physical comforts of motherly care.

What of the nurseries and the recreation centers to which these youngsters should be going? Why do so few exist? But, equally important, we must be on our guard lest nurseries and recreation centers assume the parents' rights over their children. The right of authority over the children must always remain vested in the hands of the parents.

It is a God-given right as well as a civil right and constitutes the very foundation of a free democracy. If this right of authority over children is ever transferred from homes where mothers are working out of necessity to the organizations supporting the nurseries and centers, it would be a serious threat to our form of government and to the very institution of family life based on the law of God. The nurseries or recreational centers, whether supported by State or community organization, can help and assist the parents, or parent, in promoting the welfare of the child. They can offer care, recreation, guidance, counsel, and medical attention, but always with the full knowledge that the final decision in regard to such assistance for the child is solely up to the parents (unless, of course, the parents are judged by court order to be incompetent). We have seen too much of the agony of parents in other countries whose children have been taken away from them and whose right to parental authority has been grossly negated to allow any infraction of this right ever to creep into any extension of our community nurseries and recreation centers.

For those children who need it, is it not the business of a woman to see that her own community finds ways to establish such extensions of the home as will protect them? Must she not go out from the confines of her home in order to secure such protection? The moment she steps across her own threshold bent upon such a mission she begins to assume her larger responsibility as a citizen. Fortunate indeed is the community whose women have accepted the challenge of today's world for the moment one step is taken others follow in rapid succession.

This first step opens up a new world and brings to a woman an overwhelming sense of the need to know how these things are done and by whom. Almost automatically she asks where she may go to learn the methods by which she can make her opinions known. This usually leads her to a group of those who, like herself, have determined to do something about inadequate or intolerable situations. Before they are aware, they have become "women in politics." Once awakened, women rapidly develop an eagerness to understand, a determination to know, which can well change the course of living in their communities and so in the Nation itself.

Awareness of her own community's problems brings recognition of the fact that they are tied into the problems of the county, the State, and of the Nation as a whole. Politics become dramatically and vividly the climate in which she lives, for she realizes that we are all of us knit so closely together that this which she thought of as a thing apart is in reality the machinery, the structure, the method of daily living. She soon loses all sense of strangeness, for the matters which have carried her into this new aspect of life are all of vital moment to her as wife and mother.

Bit by bit she finds her way to the town council meetings. Soon, perhaps, she is on the library board or the board of education. As another step to assuming actual responsibility she enlists the help of the various church groups, the civic clubs, the local league of women voters, the veterans' auxiliaries, the PTA, and she becomes one of a group of influential citizens. The walls of her home have started to move out into the community and she begins to realize that she is part of a nation and of a world.

Some there will be, and in increasing numbers, who will seek elective or appointive office. This is not an easy path. It requires, to be fruitful, peculiar gifts and special training and experience. Most of all, it requires understanding of and love for other human beings, a willingness to work and tireless energy. But the enormous number of women

who will be recognizing their responsibilities as full citizens of a free nation will work quietly to further those matters which are most clearly theirs.

We cannot escape the fact that we have ceased to be a minority group. We have demonstrated the possibilities of our concentrated interest and determined action. No longer can we permit ourselves any apathy, any inertia. The welfare of the Nation, even of the world, is in our hands.

Although we have not yet come to appreciate the full meaning of the fact that our financial holdings alone give us a basis for action in areas where such power can make our voices heard, we recognize a new attitude toward us in the market place. We hold title to at least 40 percent of the Nation's 30 million and more homes. We are the beneficiaries of 80 percent of the life-insurance policies of the country and 35 percent of us carry our own life insurance. We are said to hold 65 percent of the mutual savings funds of America and at least 42 percent of all income-tax returns are paid by women—as are 80 percent of all inheritance taxes—and this means that there is in our hands economic strength we could well use. An even more potent force is ours in the area of retail buying. Fifty-five million of us are the retail shoppers. Would we not be taking a more realistic hold upon the influences that surround our children if we denied our economic support to unwholesome publications and stage and screen features? Concerted, intelligent determination must precede active political action if it is to be successful. The voice of woman can make itself felt. But if it is to be effective, it must be a constructive voice of reminder to all people that the family is the unit around which our civilization is built and that the structure of the family is as strong as its faith in God.

This is but a rough sketch of our backgrounds, of some of our potentialities. Let us look at our record in public service over the years for a moment, remembering that nothing so far-reaching as this sense of our woman's obligation to the Nation bears fruit overnight.

It was in 1786 that the first women (two postmasters) were accepted into Federal service. In 1862, the United States Treasurer inaugurated the plan of using women in appreciable numbers to alleviate the wartime manpower shortage. In 1870, legislation was passed formally permitting the employment of women in the Federal Government service. Today it is estimated that approximately one-fourth of the total roster of Federal employees are women. Only about 1,000 of these occupy executive positions of marked authority in policy-making and administrative fields. President Taft's appointment of Julia Lathrop as head of the then newly created United States Children's Bureau, gave women their first appointment as chief of a major bureau. That post is held with distinction today by Dr. Martha M. Eliot.

Women are to be found in the greatest numbers in county offices. There is no county office that has not at some time been filled by a woman unless it be that of coroner. At least 12,000 women are serving today as county officials in 3,072 counties of the United States. They have taken the first steps across their home thresholds. On the State level, a recent check showed 304 women on the rosters of the legislatures as against 29 in 1920. In the judicial field at least 125 women are on the Federal and State courts, as well as on the domestic relations and juvenile courts where they work closely with local welfare groups and social agencies.

But it is not just on local and State levels that women are found. Congress has claimed 60 women since 1916 when Jeannette Rankin first took her seat in the House of Representatives. Today, MARGARET CHASE SMITH of Maine, with a background of 9 years in the House, is the one woman in the Senate, while 16 women are serving in the House. Women have held official positions in many of the departments and bureaus for a quarter of a century. In the State Department and the Foreign Service it was estimated that there are some 3,000 American women serving in 294 missions abroad, hundreds of them in the higher classifications, with 75 career women serving in Washington. Some 200 consuls and vice-consuls have been women—and several outstanding women, Mrs. Daisy Harriman, Mrs. Ruth Bryan Rohde, Mrs. Eugenie Anderson, and Mrs. Perle Mesta have represented us as ministers and ambassadors, while Clare Booth Luce was appointed our Ambassador to Italy and Miss Frances Willis, Ambassador to Switzerland, is our first career ambassador.

With the establishment of the United Nations, an even wider field of influence opened before us. Here Eleanor Roosevelt has served with diligence. I, myself, was the first woman to be appointed a delegate from the Congress. It was not an easy trail to blaze—but she has shown an appreciation of the dramatic need of all nations for the contribution which women in particular can make to the great future that has opened the way to all who will follow.

All across the world women are assuming greater responsibilities in the political life of their own people in order to build a world that will indeed be "closer to the heart's desire." Although there are still many lands where women do not have the franchise, yet in some of these they hold positions of far-reaching influence and great responsibility. Here in America it is becoming more and more the accepted fact that we who are women have a contribution to make in the field of active politics. Women long active in political fields know that power lies not in the invasion of those areas of endeavor in which men excel, but rather in the areas where their very womanhood is a shield, a strength, a force. We know, too, that we are but the vanguard. We know that the full value of our contribution will not be made until all women throw open the windows and doors of their homes, not only to let in the sun and wind of clearer perception and deeper understanding, but, perhaps more importantly, to let their own vision and humble determination to serve the infinite purpose of life become a part of the active forces of national and international policy and action.

With the world in darkness and confusion, the increasing power of women in government, here and everywhere, is not a question of equal rights. It is a question of the dramatic national and international need for the understanding women have of the fundamental life-giving truths. It is woman's primary function to give life, to renew life, to protect the young, to give them their first lessons in the art of living. It is our part to keep alive faith and hope and the certainty that because God is, we are.

It is no longer enough that we seek only to influence our men to wiser decisions, to better living. Those of us who are able to do so must seek office in every area of government. Those who cannot must find ways to encourage and strengthen those who can. Just as the individual must examine his own soul before he assumes duties which involve others, so must we who are women go deep into our hearts and minds to ascertain what it is that we have which is so vital to the full purposes of the infinite. Once we are convinced and aware that only as we take upon ourselves these broad aspects of our womanhood can we hope to see the dawn of peace, the day of light—only then shall we give richer meaning to citizenship in this free land of ours.

Politics is the machinery of citizenship. Let us who are women take our places quietly, intelligently, and unselfishly within its organization, accepting in full measure the duties of such citizenship in a land established upon the immovable rock of trust in God. Politics needs an elevation out of its present context which tends to be exclusively temporal. It should take its true place in society in the service of human beings whose total lives are spiritually dedicated to God. Politics should be the development of true peace and prosperity of mankind; it is a link in the chain of total prosperity which is spiritual. Woman's duty is to reforge the link which binds politics to a higher order.

Marion Bayard Folsom

EXTENSION OF REMARKS
OF
HON. GORDON CANFIELD
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1955

Mr. CANFIELD. Mr. Speaker, President Eisenhower's appointment of Marion Bayard Folsom as successor to Mrs. Oveta Culp Hobby as Secretary of Health, Education, and Welfare, has been acclaimed throughout the Nation.

The Washington (D. C.) Daily News says:

In the new Secretary, Mr. Folsom, the department with the three-way name will get an administrator of demonstrated ability who also has a record of some accomplishment in the fields with which he now will be dealing.

According to the Rochester (N. Y.) Times—

The President is not likely to offer a more conspicuous example of finding the right man for the right job.

While the Atlanta (Ga.) Journal declares that—

Georgians find pride and satisfaction in the appointment.

Newsweek recalls that Mr. Eisenhower once told a visitor:

Folsom is the type of man that makes my job so satisfactory.

Newsweek also refers to a statement Treasury Secretary George M. Humphrey recently made of Folsom:

He's a man you can't stampede. He's intelligent and courageous. Once he's studied the facts and made up his mind you can't get him off the track.

Writing in the Washington (D. C.) Evening Star, Thomas L. Stokes describes Folsom as—

A recognized forward-looking businessman with a pronounced sense of public and social consciousness.

Marion B. Folsom has been described by many people as a founding father of social security. He has been active in Government or private industry social-security programs for more than a quarter century.

His work in Government social security goes back 20 years to service on the President's advisory council which helped draft the original Social Security Act in 1934. Prior to that he was a pioneer in developing private company benefit plans for employees.

Born at McRae, Ga., November 23, 1893, Mr. Folsom was graduated from the University of Georgia in 1912 and Harvard Business School in 1914. He

immediately went with Eastman Kodak Co. in Rochester, from which company he resigned as treasurer and director to join the Eisenhower administration as Under Secretary of the Treasury in 1953. While with the Eastman Kodak Co., Mr. Folsom was a major participant in the development and operations of the company's employee benefit program.

In addition to helping draft the original Social Security Act, Mr. Folsom served on the Federal Advisory Council appointed jointly by the Senate Finance Committee and the Social Security Board in 1937–38, and the Social Security Advisory Council to the Senate Finance Committee in 1948. Both councils studied operations of the social-security system and made recommendations to the Congress. Mr. Folsom worked with the Department of Health, Education, and Welfare on the Eisenhower administration's plan which resulted in the 1954 congressional amendments to extend the coverage and benefits under the social-security system.

Mr. Folsom was principally responsible for the development of the group life insurance program for Federal employees which was voted by the Congress and put into effect for nearly 2 million Federal employees in August 1954. Several years earlier he had helped organize the group medical care insurance plan in Rochester.

Mr. Folsom was also staff director of the House of Representatives Special—Colmer—Committee on Post War Economic Policy and Planning of the 78th and 79th Congresses. The Colmer committee reports led to enactment of contract renegotiation legislation and many other postwar measures which were put into effect in the years immediately after World War II ended. He was a division executive of the National Advisory Defense Commission from 1940 to 1941, and was on the National Advisory Board for Mobilization Policy in 1951–52. He has been a member of the Business Advisory Council, Department of Commerce, since 1936.

In the civic field Mr. Folsom was one of the original trustees for the Committee for Economic Development, which was formed in 1942, and resigned as chairman to come to the Treasury in 1953. In his home city of Rochester he served for three years as president of the Rochester Council of Social Agencies and on the boards of several charitable organizations.

Mr. Folsom is an overseer of Harvard College and a trustee of the University of Rochester. Prior to 1953 he was a director of several financial institutions including the Federal Reserve Bank of New York.

Mr. Folsom served as a captain in the United States Army in World War I and was overseas with the 26th Division. He is married and has two children, Marion B. and Frances.

The new Secretary is an outstanding type of appointment of the right man for the right place, which is typical of the Eisenhower administration.

SENATE

TUESDAY, JULY 26, 1955

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

O God, our help in ages past, our hope for years to come: We pause for this still moment vividly conscious of how quickly ebbs out life's little day. A cloud of witnesses brings to our grateful remembrance those who once toiled in the glare of public office and who now rest from their labors. To Thee, Master of all good workmen, we would render our hearty thanks this day for the life and labors of a public servant—one of the most outstanding of this turbulent generation—whose flag-draped mortal form this very morning lay in honor in the great cathedral where, with the triumphant affirmation of the faith, he was laid to rest. His works do follow him and are his memorial.

We would bear witness that in both bodies of the Congress and in his long direction of foreign affairs he was an apostle of peace and understanding; a believer in the partnership of nations, of fairness in trade, of true neighborliness between peoples. We remember that while his patience and gentleness made him great he had also the capacity for a volcanic wrath like unto Thy prophets of old. The career of Thy servant, Cordell Hull, reminds us that the place in our America from which greatness may emerge is as unpredictable as the Bethlehem where man's best Man was born.

As stalwart forms disappear from our sight and side and potent voices are stilled, we pray that the mantle of those who have fought the good fight and finished the course may fall upon the shoulders of those who are striving in the most difficult days of the Republic to make our free land as great in virtue and truth as she is mighty in power. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. CLEMENTS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, July 25, 1955, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the bill (S. 2592) to increase the mileage allowance of United States marshals and their deputies from 7 cents per mile to 10 cents per mile.

The message also announced that the House had passed the bill (S. 665) to revive section 3 of the District of Columbia Public School Food Services Act, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House passed the bill (S. 1093) to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 6980) providing for the conveyance of the Old Colony project to the Boston Housing Authority.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 2851) to make agricultural commodities owned by the Commodity Credit Corporation available to persons in need in areas of acute distress; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COOLEY, Mr. POAGE, Mr. GRANT, Mr. JENNINGS, Mr. HOPE, Mr. AUGUST H. ANDRESEN, and Mr. HILL were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 3822) to amend title V of the Agricultural Act of 1949, as amended; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COOLEY, Mr. POAGE, Mr. GATHINGS, Mr. GRANT, Mr. HOPE, Mr. AUGUST H. ANDRESEN, and Mr. HILL were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7000) to provide for strengthening of the Reserve Forces, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6263. An act to amend section 1233 of the Internal Revenue Code of 1954;

H. R. 6728. An act to provide for carryback and carryover of foreign tax credit;

H. R. 6775. An act to provide for the regulation of the business of making loans of $600 or less in the District of Columbia, to regulate the pawnbroking business, and for other purposes;

H. R. 6886. An act to amend the act of October 19, 1949, entitled "An act to assist States in collecting sales and use taxes on cigarettes";

H. R. 6999. An act to amend section 1321 of the Internal Revenue Code of 1954;

H. R. 7024. An act to remove the manufacturers' excise tax from the sales of certain component parts for use in other manufactured articles, and to confine to entertainment-type equipment the tax on radio and television apparatus; and

H. R. 7061. An act to authorize the Board of Education of the District of Columbia to borrow motor vehicles for use in a motor vehicle driver education and training course in the public schools of the District of Columbia, to excuse the owners of vehicles loaned to public, private, or parochial schools for driver-training purposes from the payment of certain fees and taxes during the period of such loan, and for other purposes.