

By Mr. KEARNS:

H. R. 7734. A bill to amend the act entitled "An act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of international conventions, and for other purposes," approved July 5, 1946; to the Committee on the Judiciary.

By Mr. O'NEILL:

H. R. 7735. A bill to amend section 5051 (a) of the Internal Revenue Code of 1954 to aid small business and discourage continued concentration in the brewing industry; to the Committee on Ways and Means.

By Mr. VAN ZANDT (by request):

H. R. 7736. A bill to amend the Career Compensation Act of 1949, as amended, to correct certain deficiencies; to the Committee on Armed Services.

By Mr. YATES:

H. R. 7737. A bill to amend the Internal Revenue Code of 1954 and the Internal Revenue Code of 1939 to provide an exclusion from gross income in the case of damages recovered pursuant to suits under the anti-trust laws; to the Committee on Ways and Means.

By Mr. ASPINALL:

H. J. Res. 415. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the preservation of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. HOLIFIELD:

H. J. Res. 416. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the preservation of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. J. Res. 417. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the preservation of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. BLATNIK:

H. J. Res. 418. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the preservation of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. CELLER:

H. J. Res. 419. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the preservation of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. CLARK:

H. J. Res. 420. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the preservation of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. EDMONDSON:

H. J. Res. 421. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the preservation of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. JOHNSON of Wisconsin:

H. J. Res. 422. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the preservation of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. SAYLOR:

H. J. Res. 423. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the preservation of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. SCOTT:

H. J. Res. 424. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the preservation of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. WIER:

H. J. Res. 425. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the founding and launching of the conservation movement for the preservation of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. MOSS:

H. J. Res. 426. Joint resolution to authorize the President to proclaim as Civil Service

Week the week beginning January 17, 1956, in commemoration of the 73d anniversary of the American civil-service system; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mrs. CHURCH: Memorial of the State of Illinois, 69th General Assembly, House Resolution 99, endorsing the concept embodied in House Joint Resolution 228, which provides that each State keep 1 percent of all Federal taxpayments collected therein for the sole purpose of using such funds for school and educational purposes; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURNSIDE:

H. R. 7738. A bill for the relief of Scott Berry; to the Committee on the Judiciary.

By Mr. DONOVAN:

H. R. 7739. A bill for the relief of Eileen Mary McCarthy; to the Committee on the Judiciary.

By Mr. HIESTAND:

H. R. 7740. A bill for the relief of the United States Flare Corp., C. D. Wallis Corp. & Associates; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 7741. A bill for the relief of Kenneth Phillips (also known as Euncie Francesco Martin); to the Committee on the Judiciary.

By Mr. MACDONALD:

H. R. 7742. A bill for the relief of Rosaria Di Maio; to the Committee on the Judiciary.

By Mr. MOSS:

H. R. 7743. A bill for the relief of Jose Medina-Galvan; to the Committee on the Judiciary.

By Mrs. ST. GEORGE:

H. R. 7744. A bill for the relief of Fausto Palumbo; to the Committee on the Judiciary.

By Mr. ZELENKO:

H. R. 7745. A bill for the relief of Joseph (Josip) Torbar; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Address of Hon. Dewey Short, Member of Congress, Seventh Missouri District, Before the Postgraduate Medical Assembly of South Texas, at the Shamrock Hotel in Houston, Tex., on Tuesday, July 19, 1955

EXTENSION OF REMARKS

OF

HON. CARL VINSON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mr. VINSON. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include therewith an address by the Honorable DEWEY SHORT, ranking minority member of the

Committee on Armed Services, before the Postgraduate Medical Assembly of South Texas at the Shamrock Hotel in Houston, Tex. I believe that every Member of the Congress will be as impressed as I was with the reasoning of the distinguished gentleman from Missouri concerning many of the medical problems that confront our Nation and the Armed Forces today.

The address follows:

Mr. Chairman, ladies and gentlemen, it is with some trepidation that I appear before this distinguished gathering today. I have tremendous respect for doctors, not only doctors of medicine, doctors of osteopathy, doctors of philosophy, doctors of dentistry, but also for doctors of divinity. But rarely in my life have I appeared before a group who quite recently would probably have very cheerfully cut my throat—and who possess the skill to do the job neatly.

I am referring, of course, to the recent extension of the doctors' draft law which passed the House and was signed into law on June 30.

In my own small way, I undoubtedly have contributed to the potential displacement of some of you for a 2-year period.

It is an unfortunate, discriminatory piece of legislation, this doctors' draft law, but I want to assure you that it is absolutely essential.

Perhaps it is the penalty you share for belonging to a very select organization. As physicians and surgeons you hold an extremely responsible position in our economy. You have studied long and hard; you have met the best competition and only the finest survive.

And because your services are so much in demand, it was necessary for us in the Congress to enact legislation to compel you to serve in the Armed Forces even though you are beyond the regular draft age.

Now I want to discuss this subject with you today because it is important not only to

you and your colleagues, but also to the civilian population and our armed services.

Statistically, we had no choice but to extend the doctors' draft law. The draft age has been reduced to 46, from the old age of 51, and from what I can gather from the facts that have been presented to us, doctors will be taken up to that age during the next 2 years.

We eased the situation with regard to physicians and dentists who are now over 35 and who previously applied for a commission in the medical or dental corps and were rejected for physical reasons, but we could not make that provision retroactive for those now serving on active duty. That also is discriminatory—for the doctor who was able to stay out of service, and who meets the criteria of this amendment, will not have to serve, while the doctor who is now serving on active duty who otherwise could have met the criteria, must remain on active duty until he completes his obligated period of service.

Wherever we turn in this whole manpower problem, we face inconsistencies and discrimination; even the regular draft act is discriminatory. Some must serve and others are deferred. Those who are healthy must go; those who are disabled remain behind. Those who are engaged in essential industry are deferred; those who are not, must serve.

This whole idea of compulsory service is repugnant to me and always will be, but I am also practical enough to realize that our Nation must possess an armed force capable of defending this Nation should that occasion arise. And the health of our armed services must be paramount in our thinking.

One of the serious problems that we face in this Nation is a shortage of doctors; and as far as I am concerned, there is a maldistribution of practicing physicians.

I do not believe that our medical schools are adequate in size to graduate the number of doctors that our economy requires. And unfortunately, since we are all human beings the natural tendency of many physicians is to go to larger cities where the patients are in a small area and where the level of income is high enough to justify charging reasonable fees.

That means that we have areas in this country that are inadequately staffed with doctors. And as far as I can see, that situation will remain with us and grow worse unless we take positive steps in increase the input of medical students and the output of medical school graduates. I would like to see that accomplished with as little Federal interference as possible.

It is not my purpose to deliver a sermon, but I would like to give you some of my ideas with regard to this whole problem of medical care.

Obviously, we cannot continue the doctors draft law for an indefinite period. Therefore the armed services must find a procurement method other than the doctors draft law.

Now so long as we have the regular draft law in effect we will be able to obtain a fair share of medical school graduates, since anyone who is deferred for any reason under the regular draft remains liable for induction up to age 35. But we can't depend entirely upon medical school graduates as a source of doctors for our armed services because then we would be depending entirely upon young men who have just completed their internships. The armed services need specialists and experienced physicians just as much as any other group of people. But we are not attracting experienced physicians and specialists in our Armed Forces on a career basis. And that calls for a little self-analysis.

Why aren't we getting more doctors to make a career of the armed services? Is it economic?

Yes, partly. It is a little hard to compare a major's pay with the \$15,000 net income

annually of the average practicing physician in the United States.

But I don't believe it is entirely economic. Pay is not everything. I think it may also involve the dignity of the profession, the constant changes of station, and perhaps to some extent, the unintentional subjugation of professional initiative.

I am convinced that the average doctor has a unique personality of his own; a rugged individualist—if you will. He has to possess that sort of personality, otherwise he would never have had the courage and stamina and determination to spend 4 years in college, 4 years in medical school, a year of internship, and 2, 3, and 4 years in residency training before he considered himself qualified to practice medicine.

And I suppose the average physician is not willing to enter into a form of regimentation in which his own personal attainments and ability will not be rewarded in proportion to his achievements. I believe that, too, may be a factor in this medical procurement problem in the armed services.

I don't know the full answer, although I can assure you that it is being studied carefully with a hope that some solution can be found. Basically, the medical situation in our armed services is one of supply and demand. So long as the demand exceeds the supply, the attractiveness of service life will undoubtedly take a back seat to the normal civilian life where the physician is his own boss.

The ultimate solution to the whole problem of supplying doctors for our Armed Forces and also for the civilian economy is a substantial increase in the number of doctors.

While the doctors draft law was under consideration in the House and in the Senate, Members of Congress were besieged with telegrams and letters from doctors urging the elimination of the doctors draft law. The contention was made that if dependent medical care were abolished and all other persons now entitled to medical care from service doctors were denied this benefit, there would be no need for a doctors draft law.

Well, I want to discuss that subject because it is of fundamental importance to you and to the Armed Forces. The number of individuals who are theoretically entitled to medical care from service doctors is large. But when you compare the actual statistics of medical care furnished to persons other than service personnel it soon becomes apparent that the existing legal entitlement is not being abused. As a matter of fact, if all medical care were abolished for all personnel now entitled to medical care from the armed services other than armed services personnel and their dependents, we would only be able to eliminate about 40 of the 10,000 physicians now serving on active duty with the armed services and the Public Health Service. And if we abolished all dependent medical care in the United States, we would only eliminate an additional 581 doctors from the armed services and the Public Health Service.

The next contention was that the ratio of physicians to armed services personnel is unrealistic—too high. It is now approximately 3.044 per thousand and you will hear statements made that this is so much greater than the civilian population that it obviously can be substantially reduced.

Well, ladies and gentlemen, medicine in the armed services is not confined solely to treating servicemen who are ill. Sometimes we all overlook the very basic reason that we have an armed force. We constantly strive to impose upon our armed services the same business standards that apply to the United States Steel Corp., General Motors, Humble Oil, and countless other groups in the country. But you can't compare a producing corporation with an insurance policy. Our Armed Forces exist so that those corpora-

tions and the people who work for those corporations, and the doctors and dentists and veterinarians, and small-business owners, and farmers, and railroad engineers, and students, and mothers and fathers, and everybody else in this United States, can continue to live in freedom. Of course, maintaining our Armed Forces is costly. Fantastically expensive. And, of course, there is waste. Of course, there is duplication, unnecessary transportation, administrative mistakes, poor decisions, bad buying, but we are dealing with an organization which employs almost 5 million people, an organization that spends 65 cents out of every Federal tax dollar, an organization that spends between forty and fifty billion dollars annually, an organization whose expenditures exceed the income of 18 of the largest corporations in the United States.

The Armed Forces isn't a business operation. It exists for the sole purpose of preserving this Nation. And in order to preserve this Nation we have to have men mentally and physically fit to perform all types of duty.

We have to have doctors who know how to prepare for the medical support of an amphibious operation. We have to have doctors who know all of the medical problems of logistical support of a land operation; we have to have doctors who are familiar with the human physical limitations in the problems of space; we have to have doctors who are experts in field sanitation, preventive medicine; and all of our doctors must have some conception of what a military organization is, how it functions, and what their responsibilities would be if they were called upon to take command of a medical battalion.

So, all the time of a doctor in the Armed Forces is not confined to the treatment of people who are ill; perhaps some doctors spend most of their time treating patients, but when that doctor is serving in that capacity another doctor is studying a supply problem, or a study involving the results of underwater demolition, or the proper way to treat victims of nuclear warfare.

So, it is not quite fair to our armed services to compare the ratio of physicians to the civilian population and then conclude that the ratio in our armed services should more nearly approach that ratio. The problem in our Armed Forces is to keep our people healthy and not wait to treat them after they are sick.

I am not trying to defend poor administration, for I would be the first to admit that there are undoubtedly a few places in the Armed Forces where improvement can be made in the proper utilization of physicians and their skills. And I can fully appreciate how a pediatrician feels when he is called upon to leave his own practice only to end up in a dispensary treating the children of service personnel. And that, of course, leads me to the various problems of dependent medical care.

Now, traditionally we have provided, on a space and facilities available basis, medical care to the dependents of service personnel. But I don't know of anything that would more adversely affect the morale of our Armed Forces than to eliminate this entitlement. On the other hand, it is obvious that we cannot continue in good conscience to draft individuals and ask them to treat the dependents of our service personnel. The number involved is not great—581 is the approximate figure, but even if we eliminate 581, that would be 581 less doctors over the age of 35 who would have to be ordered to active duty. So there we are on the horns of a dilemma. Can we jeopardize the morale of our Armed Forces to the extent of eliminating dependent medical care in order to alleviate to some extent the situation with regard to the drafting of doctors over the age of 35?

Well, obviously the answer for the next 2 years is that the Congress was not willing to jeopardize the career attractiveness of many thousands of experienced men in order to reduce to just a small extent the number of physicians who will be required to serve in our Armed Forces who are now over the age of 35. But we recognize the fact that we must find a solution to dependent medical care. Obviously, we are again on the horns of another kind of a dilemma. For if we abolish all dependent medical care in the Armed Forces, then many of the physicians who now are willing to stay in the Armed Forces until reaching retirement age will leave, since the present diversification of their practice may well be reduced to such an extent that they will prefer to leave the armed services and surrender the years of service they have built up toward retirement.

The average service doctor in a period of several years of service will treat service personnel who are basically healthy—perhaps an appendix now and then, a few bad colds, pneumonia, broken arms, broken legs, perhaps now and again a case of tuberculosis or a heart condition. But if the service doctor is treating just service personnel, he is not going to have much experience in gynecology, pediatrics, geriatrics, and many of the other types of medicine that are found in younger or older age groups.

So, what is the answer to that problem? I am not sure that I can give you the answer, although I can give you a few personal observations. First of all, I think it is incumbent upon us in the Congress to adopt some type of group health-insurance program. In this way the dependent will be assured of medical care by civilian physicians even though the dependent is separated from the service member and in an area where no service facilities are available. On the other hand, unless some adequate program can be worked out in overseas areas, the dependents will continue to expect treatment from American doctors. It is possible that this can be worked out on a contract basis, but in some areas the only doctor available will be a service doctor, and he will be expected to treat dependents as well as service personnel.

Now whether this group program will supplement the present system or be a substitute for the present program, is the question. I would suspect that unless some method can be found to procure more doctors for the Armed Forces this system, if adopted, will at least for the time being, have to be a substitute rather than a supplement to the present system.

If we procure more doctors from the civilian economy on a career basis, at least we will eliminate the readjustment necessary in local communities throughout the Nation where practicing physicians are called into the service. In other words, if a doctor on his own initiative decides to make the service a career, his patients will usually have sufficient advance notice to make all the adjustment necessary, but when a doctor is taken from a community for a 2-year period with the full intent of returning to that community, there is often a void that cannot be filled. And at that point, the civilian community suffers.

If dependents are in an area where there are civilian physicians available and if they can go to civilian physicians under a health insurance program, that will ease the situation, to a very limited extent, but to some extent with respect to the number of doctors required in uniform.

On the other hand, it will give the dependent a benefit that she does not now enjoy and that is a year-round entitlement to medical care and not just on a space and facilities available basis.

To me, it is the only practical solution to the immediate problem and yet we have had no experience on this large a scale upon

which to base such a program. While it is easy to criticize the Department of Defense and the Congress for failure to take action on this problem now, I think from what I have said here today you can see some of the ramifications. If we abolish all dependent medical care, we reduce the attractiveness of service medicine. If we continue to draft doctors, we not only disrupt the individual doctors, but in many cases, the local community in which he is practicing.

We must solve this medical problem in the armed services, not only for the immediate future, but for the years ahead.

I want to mention that considerable progress in medical manpower utilization has been made by the Assistant Secretary of Defense, Dr. Berry, and his assistant, Dr. Cushing, with the cooperation of a medical advisory committee and I am convinced that there is today a much better utilization of medical personnel than ever existed before. Some further progress can be made but I am afraid that insofar as the number of doctors required is concerned, we have just about reached the minimum.

I mentioned earlier that I considered the average physician to be a rugged individualist. I realize that that may be an unpopular term in this present day and age. Perhaps it is wrong to depend entirely upon one's self for a livelihood; perhaps I am living in the dark ages, but I cannot help but feel that all of the notable achievements of this century, and the past centuries, can be attributed to men and women who felt an obligation to their nation, their families, and themselves. They did not feel that being born entitled them to dependence upon the nation for a livelihood and for the better things in life.

We have become an extremely security-conscious people in the past few years and while much progress in social fields has been made, I sometimes wonder if it is not being made at the cost of the loss of individual initiative. And yet some of the social gains have been brought about by necessity, as well as public demand.

And very possibly, the next large field will be that of medicine.

I know it is unnecessary for me to tell you that socialized medicine, or any other name that you may wish to call a program of free medical care, is on the horizon. I can think of nothing that would do more to stop the progress of medicine than for this Nation to engage in a program of national socialized medicine. On the other hand you, as doctors, have made this Nation health conscious; you have stressed medical examinations, early treatment, danger signs, annual X-rays, and as a result you have made every person in this country extremely aware of the necessity for prompt and adequate medical care. As a result the health of the Nation has prospered. The average age of men and women of this country has increased and this in turn has increased the national income. But having started this very desirable awareness of the need for proper medical treatment, it is incumbent upon you as private citizens, as advocates of the free enterprise system—yes, as members of a capitalistic team—to meet those demands through the free enterprise system. If that demand is not met by you as private practicing physicians, or by you as groups of private practicing physicians, then it will be done for you by the Federal Government.

That is the history of this Nation and nothing you or I can say will stop it. It is only what you and I do to fill the needs of the people through the free enterprise system that that system will continue to exist as we know it.

It is for you to decide as leaders in your communities, as men respected and loved by your patients, your friends, and your neighbors, as to where and how and when we are going ahead. It can be done by direction

of the Federal Government or it can be done through the free enterprise system and the cooperation of the Federal Government, but as sure as I am standing here today, it will be done.

You will have to make the choice—and I believe I know what your choice will be.

Crowded Days for George Bender

EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Friday, July 29, 1955

Mr. MUNDT. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an interesting article written about one of our colleagues, which appeared in the *Cleveland* of July 1955.

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

CROWDED DAYS FOR GEORGE BENDER

(By Larston D. Farrar)

When exuberant GEORGE BENDER, one of Cleveland's most noted native sons, squeaked through to victory in the hot Senate race last year, Republicans from coast to coast cheered. He had performed a feat that seemed almost incredible, considering how the Democratic tide rolled through New York, Pennsylvania, and even sloshed over into Michigan, where a veteran Republican Senator, Homer Ferguson, became part of the flotsam and jetsam.

The Democrats, chagrined at the loss of an expected Senate seat, turned to jeering. They referred to "laughing boy BENDER," and "giggling George," and said that he would make a clown of himself in the Senate as many of them had said he had become in the House of Representatives by perennially plugging for the late Senator Robert A. Taft, Republican, of Ohio, for the Republican presidential nomination. (Senator BENDER gained national fame in two presidential elections by leading the Taft band that played *I'm Looking Over a Four-Leaf Clover*, and many Democrats said that proved he should be in a circus.)

But those who had watched GEORGE BENDER at work for years in Ohio were less surprised than people outside the State. His fellow-Ohioans—friend and foe alike—knew that underneath the curly pompadour and behind his smiling—almost puckish—countenance, there was a determined mind at work, and plenty of pituitary fluid to give him the energy that modern politics demands.

A PERSONAL VICTORY

Also, they knew, he had had to measure his financial resources in thousands of dollars, instead of millions, as many winners in other years had done. They realized that his victory, however narrow, was more in the nature of a tribute to his long years of activity and his tremendous capacity for friendship than because of other major political considerations. GEORGE BENDER always has won personal victories since he first entered politics. He has been a party man, particularly in late years, but there were times when he ran one way and the Republican Party ran another. He won and the party lost, and he steadily built a bigger and bigger following. Finally, he took over the party—in Cuyahoga County, at least—by dint of his own skill and hard work, helped by friends who were imbued with the same ideas of government as he held.

His interest in public affairs began when he was in high school—when Theodore Roosevelt visited Cleveland in 1912. George was one of the youngsters privileged to meet with Theodore Roosevelt, and when "Teddy" said he was planning to run for President again, George enlisted in his cause and became a zealous school-boy orator for that famous campaign. From that time, young BENDER went everywhere and did everything to learn the art of politics. In 1920, he ran for the State Senate and, at 23, became one of the youngest men ever elected for that body.

THE MAN FOR THE OFFICE

In 1930, he sought election to Congress from his home district, but lost to a veteran Democratic Congressman by a very small margin. In 1938, when Robert A. Taft first was elected to the United States Senate, GEORGE BENDER was at his side running for Congressman-at-large. The two men had met—and had become friends—in the Ohio Senate, and George had lent every effort to Taft's election.

Again and again, GEORGE BENDER ran for Congress and won. Only in 1948, when a Democratic tide was running, were his hopes dashed. But in all those years—as chairman of the Cuyahoga County Republican Central Committee—he was a powerful figure in Cleveland and in Ohio, and it was taken for granted that, when the office of Senator Taft was vacated by death, GEORGE BENDER was the man to hold high the Republican banner.

Surprisingly agile and fit for a man of 58, Senator BENDER today looks very little older than he did in 1938. A few more gray hairs fleck his temples, and he is not quite as bouncy as he once was but GEORGE BENDER still enjoys remarkably good health. He is 5 feet, 11 inches tall, weighs a normal 210 pounds ("I haven't gained or lost weight for years") and his blue eyes are clear as ever.

Senator BENDER's life today is crowded—and it's all work, although he enjoys every moment of it. He hasn't had time for golf, fishing, or other recreation for years, preferring to spend his time in building his political and business fences and keeping them in good repair. Long years ago, he founded the George H. Bender Co., general insurance, in Cleveland, and it has become one of the leaders in the general insurance field there. At the same time he has been rearing a family—two lovely daughters, both now married, who live on the 14-acre Bender estate at Chagrin Falls.

He meets regularly at breakfasts with the Ohio delegation in Congress, and he also spends an inordinate amount of time sitting in committee meetings. Lately his has been the voice of an outraged and long-suffering public on the Senate Permanent Investigations Subcommittee, which has delved into graft and corruption in connection with operations of the Quartermaster Corps. Time and time again Senator BENDER has expressed in short, ugly words the feeling of revulsion toward the graft payers and the graft getters in high places, thus making his name known to millions of other people over the Nation who feel as he does.

"I've always known that political life was demanding," he said recently. "But life in the Senate takes far more study and energy than even in the House of Representatives. My day is not my own from morning until late evening. I strive to do all that is required of me, as does every other Senator, but I am certain that they agree with me that it isn't possible for a man in this building to do everything he ought to do."

Senator BENDER gives the impression—whether speaking to a large audience or to a friend in his office—that he has great inner reserves that have helped him in his steady rise to fame and fortune, and on which he draws for the carrying out of his

duties today. It's not surprising, therefore, to learn that GEORGE BENDER began his life and lived his early years in a large family headed by religious parents. He was 1 of 5 boys, all of whom have made their mark in the civic life of Cleveland. They were reared in the vicinity of 40th near Woodland, and their parents took the boys to the Congregational Church across town for morning church services and to the closer Presbyterian Church for evening services. George later became an elder in the Presbyterian Church. But when he married and had a home of his own in Cleveland Heights, he and his family attended the Church of the Savior (Methodist), where he became a steward. A vital interest in the things of the spirit always has served as one of the inner resources on which GEORGE BENDER has called in either political victory or defeat.

To those who want to know what kind of a Senator GEORGE BENDER is making, the answer is ready: He is making the good showing that his House service presaged. He is outstripping his fellow freshmen Senators in work and he is revealing a far-above-average capacity for leadership.

To many in Ohio, this will be no news. They keep up with GEORGE BENDER through his weekly newsletter, *This Week In Washington*, in which he clarifies many of the national and international issues that cry for his simple expression. His "Question of the Week," carried as the last item in this newsletter, has captured its own audience. Newsmen have quoted it more than once, and people have smiled, or sobered, depending upon the question. Some of the typical questions asked are: "Now that the Democrats have renominated Stevenson, who will be his running mate?" "Can the Four Power meeting be held in Hiroshima?" "Whatever happened to color TV?" "American families are paying 20 percent of their income for debts. Are you paying your share?" Have you booked your passage in an atom ship, plane or submarine?"

If you can answer these questions, don't send the replies to him. GEORGE BENDER already is overworked. But he has the drive to go on. Clevelanders can be proud of George. They may yet be even prouder.

WHO IS LARSON D. FARRAR?

Mr. Farrar has been covering news from Washington, D. C., for the last 13 years. He is employed by the American Press magazine as its Washington correspondent.

He first came to Washington in 1945 as Washington correspondent for the Gannett newspapers. He has written for many magazines and trade papers, including the Reader's Digest and the Saturday Evening Post. Before becoming a Washington correspondent, he was associate editor of the Nation's Business and was secretary of the chambers of commerce in Corinth, Miss., and Johnson City, Tenn.

Greetings to Pakistan

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mr. POWELL. Mr. Speaker, I rise today to send greetings to the country of Pakistan and to their Prime Minister, the Honorable Quaid-e-Azam Mohammed Ali Jinnah on the occasion of the anniversary of independence of that nation, August 14, 1947. I wish to ex-

tend my salutations to the people of Pakistan today because the Congress will have adjourned before the date of the event.

Pakistan has demonstrated its dedication to the ideals of democracy and from its birth as a new nation has drawn inspiration from the United States in its efforts to resolve its problems. Through a positive policy designed to promote better understanding and closer cooperation between other nations and themselves, Pakistan has received substantial aid from the United States and has drawn closer to the American people.

Under the inspired leadership of Quaid-e-Azam Mohammed Ali Jinnah the Pakistan nation achieved its goal of independence. I wish to applaud the success of Pakistan's efforts in the attainment of the high ideals which they have set for themselves and wish for their continued progress in the future.

I could not conclude without noting the great role Mohammed Ali played in Bandung in setting the record straight as regards Chou En Lai and Red China. I also would like to point out that Mohammed Ali is one of the principal exponents along with the Prime Minister of India, Mr. Nehru, in presenting a plan for relaxing tensions between Red China and the United States. Finally, my greetings to the Ambassador from Pakistan, His Excellency Syed Amjad Ali.

The So-Called Refugee Act

EXTENSION OF REMARKS

OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mr. WALTER. Mr. Speaker, the agitation in behalf of the so-called Refugee Act, precipitated by President Eisenhower's requests for still greater leniencies, unmasks the act for what it is: a fraudulent gesture of political hypocrisy.

For all its purported humanitarian aims, the act is a crudely concocted piece of old-fashioned pork-barreling on an international level. By itself and in combination with the proposals for revision it represents a clear and dangerous attempt to circumvent the carefully constructed legislation which now stands as this Nation's basic policy on immigration.

The people of the United States were duped when they were told of its need. The fact is that during the past 3 years, immigration pressures from the outside have continuously diminished, and the conditions upon which the displaced persons laws of 1948 and 1950 were predicated have all but disappeared.

A recently released State Department report states bluntly that despite the broadest interpretations as to qualifications, there are not enough applicants to us up even the visas provided for originally in the Refugee Act—a total of 209,000. There is no mass of starving,

tortured humanity pounding at our doors.

DEMAND FOR VISAS REDUCED

Let me cite a few excerpts from the State Department report issued by the Administrator of the refugee program, Scott McLeod:

In Germany, he reports:

East German escapees, constituting the largest single bloc of potentially qualified aliens in West Germany, have the same working rights as West Germans. Greatly improved economic conditions in Germany will reduce the demand for visas under the act as many refugees are being integrated into the local economy.

Not only the regular immigration quota for people born in Germany—which is 25,000 a year—is open and visas are currently available, but preference portions of every immigration quota for Eastern European countries are open just as well.

Of the 2,000 visas allocated for Polish refugees residing in England, only 250 have been applied for.

In the Netherlands "the initiative shown by the Dutch Government in repairing the flood damage and in caring for the inhabitants of the flood areas, plus full employment, make it difficult for applicants to qualify as refugees."

The improved conditions that have enabled these peoples to become adjusted and integrated should be a source of tremendous pride to the American people. This has come about almost wholly as a result of the \$38 billion which we have provided, in a genuine humanitarian endeavor, to promote recovery abroad.

The Senate and House conferees on the refugee bill, at the time of its enactment, stressed that it was not to be considered a "mandate to issue the full number of visas. These are maximum limitations, not quotas to be filled." But instead of taking satisfaction in the fact that the crisis has ended, the sponsors of the new recommendations are expressing great concern now that the goal of 209,000 additional immigrants may not be met. The refugee act as a consequence is being transformed into a grotesque Cinderella's shoe.

To justify the changes, the President explained that a "number of the provisions of the act require amendment if the act's objectives are to be fully met."

Let us examine some of the proposed changes and see how they would destroy even the limited safeguards of the original law.

The act of 1953 established a genuine hardship test for qualification as a refugee and requires that the prospective immigrant is not firmly resettled and is in urgent need of assistance for the essentials of life. It clearly did not wish to provide a better bet for persons who merely felt they could improve their lot in the Eldorado of America. The amendment proposals would upset this test completely.

Under the act of 1953, provisions for immigrant status, with the subsequent privilege of becoming citizens, were extended to 5,000 alien residents who lawfully entered the United States before July 1, 1953, and who cannot return to

their homelands because of the peril of persecution. The demand that they had entered the country legally would seem a small enough one in exchange for the privilege conferred upon them. The amendment bills, however, would eliminate this requirement and bestow this privilege on any alien, including the ship jumpers and those who have simply sneaked across the border.

Closely allied to this is another proposal to eliminate the present requirement for complete information regarding the 2 years immediately preceding the application for entry of each prospective immigrant. Such a change would strike at the heart of our security system. Refugee camps in Germany are permeated with Communist agents ordered by the Soviets to adopt new undercover lives in Europe and America to carry out underground activities. Only the most careful scrutiny of past records can bring about the detection of these agents. Eliminating this provision in the 1953 act would prove of inestimable aid to Communist infiltration tactics which we have now begun to combat with increasing success.

When I was in Berlin recently, the Chief of the United States Counter Intelligence Corps, entrusted with the responsibility for the security investigations under the Refugee Act, was appalled at suggestions that the 2-year requirement be dropped. He recommended instead that it be extended to 5 years.

WOULD BECOME PUBLIC CHARGE

The act of 1953 specified that each prospective immigrant be sponsored by a responsible citizen, or citizens, who would guarantee that the new arrival would not displace someone else from a job or home. The obligation would rest solely upon the sponsors. Interestingly enough, there has been a notable lack of such sponsors. In the new proposals, sponsorship could be undertaken by approved organizations. In the case of public or semipublic agencies, the immigrant would automatically become a public charge, a situation which immigration laws throughout our history have been designed to prevent.

Another measure includes the Presidential recommendation to suspend the health requirements of our immigration laws to permit the entry of persons afflicted by tuberculosis, one of Europe's most rampant diseases. "We in the United States no longer regard tuberculosis with dread," the President declared. The United States Public Health Service lists it as one of the Nation's most fearsome killers, with an annual death toll of around 25,000. We have been battling this scourge with tremendous expenditures of money and medical talent. It has cost us untold wealth in the form of men and women lost to productive labor through its ravages. Are we now to import it deliberately?

The welfare of this Nation, in regard to augmenting our population from outside sources, is, I believe, best served by the diligently constructed immigration law, of which I am proud indeed to have been a coauthor together with the late and beloved Senator McCarran. This

law provides the best coordination of our responsibility to ourselves as a nation and of our responsibility to the rest of the world. It permits us to remain of the same fiber that proved over the last stormy half century too tough to be subverted or conquered by any brand of totalitarianism.

The enactment of that law stands as an accomplishment which should not be subjected to partisan and demagogic ventures which can result only in the defeat of our purposes both here and abroad.

Clearing the Record of the Committee on Tax Exempt Foundations

**EXTENSION OF REMARKS
OF**

HON. B. CARROLL REECE

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mr. REECE of Tennessee. Mr. Speaker, I received a letter from Dr. Robert E. Cushman, professor of government, Cornell University, which I wish to have printed in the RECORD for the purpose of correcting an error which occurred in report of the Committee on Tax Exempt Foundations. I am very glad to present this for Dr. Cushman for the purpose of clearing the record and overcoming the injustice which came about by reason of the error in printing. I express my regrets to Dr. Cushman:

MARCH 28, 1955.

HON. B. CARROLL REECE,
House Office Building,
Washington, D. C.

DEAR MR. REECE: I am writing you about what I suppose you would call in Congress a point of "personal privilege."

To identify myself, I am Robert E. Cushman, a professor in Cornell University, and I directed the substantial study of certain civil liberty problems for the support of which the Rockefeller Foundation made an initial grant of \$110,000 in 1948. This was one of the grants which was scrutinized and commented on by your committee in its study of tax-exempt foundations.

In the printed report of your committee (House Rept. 2681, 83d Cong., 2d sess., December 1954), an obvious mistake has been made with respect to my name, under which a total of six citations appear.

At the bottom of page 263, my name appears, with an initial item relating to a quotation from me made by Judge Edgerton (United States court of appeals, District of Columbia) in his dissent in the Barsky case. This is entirely correct.

Beginning at the top of page 264, however, appear five citations which do not belong under my name. Living as I do in an upstate New York city, it has taken me some little time, and quite a little outside help, to track down what seems to have caused this mistake. It seems probable that you intended these five items to be listed under the name of Mrs. Hallie Flanagan Davis, now professor of drama at Smith College, and that the name was somehow lost in manuscript or proof. For example, my photograph does not appear in the December 23, 1940, issue of the Daily Worker (as the last citation states), while hers does. The Daily Worker on that date reviewed a book of hers, and printed her picture in connection with the review. The four other items listed on page

264 also appear relevant to Mrs. Davis. In the first two citations in particular, not only does her name appear (while mine does not) but she was Director of the National Theater project under WPA, while I have never in my life had any connection with the theater or any theater group.

To anyone who has ever gotten copy ready for the printer, or dealt with printer's proofs, it is clear what must have happened here. At some stage in the process the name Davis must have been dropped out, leaving these five citations under the immediately preceding name, Cushman. It will probably take someone in your office only a very short time to check back and verify all this. This is an understandable mistake, and I am entirely sure that it was through either error or accident that these items are attributed to me, when they clearly relate to another person.

I am sure you will agree that I am entitled to have this error in the committee report corrected, and I am also sure that you will wish to make the correction.

I have no desire for any publicity or fanfare about this matter. If you were to read into the CONGRESSIONAL RECORD a statement roughly to the effect that an error in the committee report had been brought to your attention, and that the items beginning on the top of page 264 of the report do not belong under the name of Robert E. Cushman, but under another name, I should feel satisfied. I feel, however, that fairness demands that such a correction should appear in an official Government document, so that I can refer to that correction if criticism arising out of the original erroneous citations are directed against me.

I have given this matter no publicity. It seemed to me only courteous and fair to bring it first to your attention. I do so in the belief that you will wish to make the correction, in some appropriate form, to which I am clearly entitled.

Very sincerely yours,

ROBERT E. CUSHMAN.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 2, 1955.

Mr. ROBERT E. CUSHMAN,
Department of Government,
Cornell University, Ithaca, N. Y.

DEAR PROFESSOR CUSHMAN: I have your letter of March 28 and I shall be glad to request permission to insert the correction in the CONGRESSIONAL RECORD when the House convenes after the recess.

Of course I regret any typographical error in the citation in the report that attended to put you in a bad light.

With kind regards,

Sincerely,

CARROLL REECE.

Freight Rate Controversies Involving North Atlantic Ports

EXTENSION OF REMARKS
OF

HON. GEORGE H. FALLON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mr. FALLON. Mr. Speaker, there have recently come to my attention remarks made on the floor of this House by my colleague from Clinton, Mass., dealing with the port of Boston and its freight rate relationships to other ports on the eastern seaboard, including my constituent port of Baltimore.

I am greatly disturbed by my colleague's statement that he intends to make his views known to the Interstate Commerce Commission and urge the elimination of alleged discriminatory rate by putting the port of Boston on a parity with every other port on the northeastern seaboard and that he proposes to render every assistance in his power to that end.

I have always considered the Interstate Commerce Commission to be an independent quasi-judicial body, reaching its decisions in rate controversies only on the record made before it in formal proceedings, without regard to sectional or political considerations. To my mind, Congress in establishing the Commission, appointed it to act as steward of the transportation policy of the Nation as a whole as we have expressed it. Our constitutional powers in that respect have been delegated since 1887 to the Commission and since its establishment we have always considered it to be the body best qualified by training and experience to determine such matters.

My constituent port of Baltimore has an equal stake with the port of Boston or any other port of the United States in the foreign commerce of our great Nation. For myself and for my colleagues in Maryland, I desire to express our confidence and that of our constituents in the ability of the Commission to decide the freight rate controversies now before it involving the North Atlantic ports in an unbiased manner in the national interest. Rather than acquaint the Commission with our personal views as to the merits of these controversies we shall observe the normal channels of presentation of Baltimore's case through testimony, briefs, and oral arguments on a formal record.

Greetings to Indonesia

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mr. POWELL. Mr. Speaker, I rise today to send greetings to the country of Indonesia and to especially extend my best wishes to President Sukarno on the occasion of the celebration of their anniversary of independence, August 17, 1955. I salute Indonesia today because the Congress will not be in session on the date of the event.

Ten years ago, on August 17, 1945, the Indonesians proclaimed their independence from the Dutch, and only after several years of hard and bitter struggling they received international recognition which they so richly deserve.

Under the colonial regime, Indonesian economy was characterized by production of raw materials for the benefit of their colonial exploiters. Under Dutch rule the average Indonesian laborer earned less than 3 cents a day; the coun-

try's death rate was one of the highest in the world, with the same situation prevailing in reference to infant and child mortality. Out of every 3 children born, only 1 on the average had hope of surviving beyond the age of 18. In addition to these deplorable facts, the health, sanitation, and educational conditions left much to be desired. Indonesia suffered from high incidences of diseases and over 93 percent of the population was illiterate.

What is the record since Indonesia gained its independence? The Indonesians have taken significant steps forward in the economic development of their country. Because of better maternal and child care, disease preventive and curative measures, the death rate has declined considerably. In respect to education and literacy noteworthy progress has been made. The Indonesian Government can point with pride to the fact that after a few years of independence half of the people can now read and write, whereas formerly this group constituted less than 8 percent of the population. The Indonesians are aware of the importance of educational development to the whole problem of economic development and to the attainment of the ideals of democracy.

To promote the development of the country the Indonesian Government has undertaken a program of gradual industrialization of the island and in keeping with this project many new factories have been established. The purpose of this program is to balance the economy by decreasing the country's dependence upon the export of raw materials. It is well known that underdeveloped countries which rely upon the export trade for the great portion of their income prosper or suffer according to the fluctuation of prices of raw materials on the world market.

The Indonesian Government reports that production is increasing in all areas and substantial gains have been made in agricultural production. Comparison of production statistics for tin, petroleum, bauxite, rubber, fish, and other food crops for the past decade with the figures for the colonial era reflects notable increases.

Mr. Ganis Harsono, press attaché of the Embassy of Indonesia, briefly delineated the more pressing problems facing the new state on the morrow of independence:

Right after the independence we had to start everything from scratch. The army, the navy, the air force had to be established. Diplomatic relations with the outside world had to be made overnight. The budget was almost nonexistent, and the new state was heavily burdened by a \$1 billion debt to the Netherlands, made by the previous colonial government. Cities damaged by the war had to be reconstructed. With being complacent, the result of 5 years' hard work was not bad indeed. At this point, we still have not overcome our growing pains. Difficulties are there, but we are sure we can cope with them.

Through hard work and sacrifice the Indonesian people are forging ahead, overcoming gradually almost insurmountable barriers. To date they have made small, but insignificant achieve-

ments. Such gains along the road to economic development are indicative of the thinking of the Indonesian Government and the people, and while they are small, they can go a long way to raise the standard of living of the Indonesians.

I wish to applaud the efforts which the Indonesian people are putting forth in the achievement of their goals of economic development and wish for their continued progress and success in their endeavors. Finally, I wish to extend my greetings to his Excellency, the Ambassador from Indonesia, Mokearto Notowidigdo.

East Texan Ernest L. Kurth, One of Nation's Builders

EXTENSION OF REMARKS

OF

HON. STUART SYMINGTON

OF MISSOURI

IN THE SENATE OF THE UNITED STATES

Friday, July 29, 1955

Mr. SYMINGTON. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement by the senior Senator from Texas [Mr. JOHNSON] on the subject East Texan Ernest L. Kurth, One of Nation's Builders, together with a newspaper article and an editorial on the same subject attached to the statement of the Senator from Texas.

There being no objection, the statement, with the attached article and editorial, was ordered to be printed in the RECORD, as follows:

EAST TEXAN ERNEST L. KURTH, ONE OF NATION'S BUILDERS

(Statement by Senator JOHNSON of Texas)

On Monday of this week one of East Texas' most respected and beloved citizens, a constructive builder all his life, observed his 70th birthday.

I refer to Mr. Ernest L. Kurth, of Lufkin—Mr. East Texas in person.

As lumberman, manufacturer, business executive, financier, and far-seeing civic worker, Mr. Kurth has made a deep and lasting imprint on Texas and, indeed, on the whole South. No better example could be found of that tribe of men who have built our Nation and brought it to its present stature in the world.

Ernest L. Kurth has always looked to the future. Characteristically, he spent his 70th birthday at work on big projects of importance to many people.

I am proud to join his thousands of friends in saying "happy birthday" to a man I am proud to know as a Texan and as a personal friend.

I attach hereto an editorial from the Houston Chronicle and a news story from the Dallas News on Mr. Kurth's birthday, in order that all Senators may gain some idea of the career of this man who is truly a giant among men.

[From the Dallas (Tex.) News of July 25, 1955]

NEWSPRINT PIONEER—KURTH TOO BUSY TO MARK BIRTHDAY

(By Robert M. Hayes)

LUFKIN, TEX.—The man who gave Texas a new industry—the manufacture of news-

print—will observe his seventieth birthday anniversary Monday.

But Ernest L. Kurth, head of the Angelina County Lumber Co., the Southland Paper Mills and a key figure in at least a score of other enterprises, won't have time for any special observance. In fact, he won't even be in Lufkin. He's in New Mexico on a business trip.

His friends say the 70-year-old industrialist has no thought of slowing up. On the other hand both his lumber mill and paper mill are in the midst of a \$15 million expansion and modernization program.

Kurth, described by Gov. Allan Shivers as "Mr. East Texas" was born at Kurth Station near Corrigan in Polk County on July 25, 1885. He was educated in the Lufkin public schools and at Southwestern University, Georgetown. Soon after his graduation he went to work as a bookkeeper for the Angelina County Lumber Co., then owned by his father, J. H. Kurth. Today he is recognized internationally as an authority on timber production and forest conservation.

Kurth's success in bringing a newsprint mill to Texas is typical of his achievement in many fields.

Some 15 years ago when the United States was still largely dependent upon foreign importations for its supply of newsprint, Kurth heard of experiments being conducted by a Savannah, Ga., chemist, Dr. Charles Holmes Herty, to produce newsprint out of Southern pine.

Herty and a fellow scientist, Francis Patrick Garvin, discovered that southern yellow pine did not, as previously thought, contain too much pitch or resin.

Kurth saw the possibilities of the Herty-Garvin idea. If it worked it would mean the profitable utilization of millions of cut-over lands in East Texas which at that time were of little value.

After getting pledges from southern newspaper publishers to take 50,000 tons of newsprint in the first 5 years of the planned mill, Kurth undertook the task of getting the project financed. Prospective investors were dubious, some of them told Kurth frankly they thought he was crazy.

But the Lufkin man never gave up. Largely through his efforts the money was pledged and in 1939 the mill was completed with a single unit. Since then it has been twice expanded and another expansion is under way. In spite of his many business activities, Kurth has always found time for community problems. He is active in his local chamber of commerce and has served as president of the east Texas Chamber of Commerce. Hundreds of east Texas youngsters owe their education to Kurth scholarships.

Several years ago Kurth was named "man of the year" as the outstanding Southern industrialist. More than a thousand business leaders from over the Nation gathered in Lufkin to pay their respects to him.

It was about that time someone coined what probably is Kurth's most descriptive title: the titan of the tall timber.

E. L. KURTH, EAST TEXAS LEADER, ATTAINS 70 YEARS OF ACHIEVEMENT

On Monday, July 25, Ernest L. Kurth of Lufkin will observe the anniversary of his birth 70 years ago in a now nonexistent village in Corrigan in Polk County. His parents moved into Angelina County while he was still a child and there his father established a sawmill outside Lufkin.

Today, the son of that founder is known throughout the Nation as the pioneer who first envisioned the manufacture of newsprint from yellow pine and who established and now heads as president the Southland Paper Mills of Lufkin.

Earlier he had attained his stature as one of the leaders of the Texas lumber industry as

president of the Angelina County Lumber Co., a position he retains.

Texas has produced many giants. She has sent her sons into the world of banking, commerce, and industry to reflect the glory of their native State. Not so with Ernest L. Kurth. He chose to remain in the region where he was born whence, through his industry, his vision and his imagination, his fame has radiated into the world he eschewed. His name today is as readily known in Wall Street or in Washington as it is in the streets of Lufkin.

His eminence was achieved through no accident. It is the result of a determination and a genius for hard work plus a refusal to permit handicaps which might halt ordinary men to thwart him. The same vigor that marked him in his prime guides him today. And so, in the evening of life, when most men are looking forward to retirement, Ernest Kurth is planning for the future. His two huge plants are presently under expansion in a construction program that will cost more than \$15 million.

Ernest L. Kurth is a giant of whom Texas can justly brag.

Government Clinics

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mr. MILLER of Nebraska. Mr. Speaker, every other year during adjournment it has been my custom to hold a government clinic in each of the 38 county-seat towns in my district. These meetings are not political, but merely question-and-answer periods to give folks an opportunity to visit with their Representative, ask questions about government, and to render a report of my stewardship in Congress.

The first hour is devoted to school students, entitled "Youth Wants To Know." The last hour is for adults who may attend. Following is the schedule of clinics for the first 2 weeks:

Monday, September 19: Scottsbluff, 2 to 4 p. m.; Kimball, 7 to 9 p. m.

Tuesday, September 20: Sidney, 2 to 4 p. m.; Bridgeport, 7 to 9 p. m.

Wednesday, September 21: Harrisburg, 2 to 4 p. m.; Alliance, 7 to 9 p. m.

Thursday, September 22: Harrison, 2 to 4 p. m.; Chadron, 7 to 9 p. m.

Friday, September 23: Rushville, 2 to 4 p. m.; Myannis, 7 to 9 p. m.

Monday, September 26: Valentine, 2 to 4 p. m.; Ainsworth, 7 to 9 p. m.

Tuesday, September 27: Springview, 2 to 4 p. m.; Bassett, 7 to 9 p. m.

Wednesday, September 28: Butte, 2 to 4 p. m.; O'Neill, 7 to 9 p. m.

Thursday, September 29: Bartlett, 2 to 4 p. m.; St. Paul, 7 to 9 p. m.

Friday, September 30: Greeley, 10 to 12 a. m.; Taylor 2 to 4 p. m.

The meetings will be held in the county court house unless otherwise indicated. The public is invited.

Merry-Go-Round on the Niagara**EXTENSION OF REMARKS**

OF

HON. EDMUND P. RADWAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mr. RADWAN. Mr. Speaker, on March 30 of this year, I introduced a bill which would authorize immediate construction of power development works on the Niagara River. As anyone can see from a mere reading of the bill, it was completely nonpartisan and non-controversial in character. Its sole purpose was to break the disastrous stalemate which has plagued this essential project for the 5 years since February 1950 when a treaty with Canada made the project possible.

Canada did not waste its opportunity. It has virtually completed the project which will permit it to generate \$60 million worth of hydroelectric power per year—plus our equal United States share, until we are in a position to use it. And we have not even started, as the 5-year-old argument of who shall own and operate the power project on this side of the border, continues to stymie its development.

My bill was designed to break that log jam without offending anyone. It did not determine who would own and operate the project—but provided only for an immediate start on construction, on a neutral basis, so that the 4 to 5 years it would take for construction, could be utilized for the settlement of the arguments and the project would be finished when the arguments were settled, and not just beginning.

Over \$300 million worth of much-needed electrical power for defense, industrial, and domestic use has run wastefully over the falls since the treaty was signed in 1950. Three hundred million dollars worth will run over the falls before the project is finished, if it were started today. Twenty million dollars worth has run over the falls since I introduced my bill.

It seemed impossible last March that this bill could fail of passage—and yet almost unbelievably, it looks as though neither it nor any other bill for redevelopment of the Niagara will be passed this session of Congress. Even if it passed next session, a year from now, we will have to watch \$60 million worth of power run over the falls between now and then.

The Young Men's Republican Club of Erie County, N. Y., promptly recognized the overwhelming merit of the Radwan bill when they passed a resolution last June urging its immediate enactment. So also did the Buffalo Evening News when it editorialized last May:

Only Congress can settle (this deadlock), and the signs that it will bestir itself to do

it this year are none too encouraging. * * * All of which attests the supreme economic folly of stalling any more years before even getting the project under construction on our side. Whether or not Congress can make up its mind which party should operate the development, once built, there is no good reason why the actual construction cannot proceed at once * * * If the Harriman-Moses group and the private-enterprise advocates can muster their forces for an immediate show-down this year, well and good. But if nothing more than another deadlock results, we simply will have wasted valuable construction time. Whether as immediate insurance that something will get started, or as a deadlock-breaker to be passed later in the session if it develops that neither the private nor public-power advocates can have their way, we think the Radwan bill deserves to be taken seriously and supported as an alternative approach by all those who are sincerely interested in getting some kind of Niagara power development expedited.

The anticipated deadlock has occurred, as I feared it would.

Not a single argument was advanced against the merits of my bill. The strongest statement against it was that it was unnecessary, because one of the permanent bills, calling for construction and operation would be passed this session. Well, they have not been. Only the Lehman bill stands a chance of passing in the Senate, and no one expects it to pass the House, at least this session. If and when a permanent bill is passed, it will be subject to time-consuming litigation.

A recent article in the Buffalo Evening News is headlined "Power Use in Buffalo Area Hits New Peak for Summer." It is a fitting obituary for what has happened to Niagara power this year. But come January 1, I shall press for the only sure-fire solution to this deadlock—immediate passage of my bill for immediate construction of the project. Let us stop this merry-go-round on the Niagara.

South Dakota Paces the Uranium Industry**EXTENSION OF REMARKS**

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Friday, July 29, 1955

Mr. MUNDT. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement which I have prepared, entitled "South Dakota Paces the Uranium Industry," together with some material relating thereto.

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

SOUTH DAKOTA PACES THE URANIUM INDUSTRY
Mr. MUNDT. At this time I should like to call to the attention of my colleagues in the Senate the newest development of America's rapidly growing uranium mining industry.

I am referring to the groundbreaking ceremonies held recently at Edgemont, S. Dak., for construction of a \$2½ million uranium-processing mill—the first in the Nation to be built outside the Colorado Plateau area.

And I should like to comment, in particular on vision, patience, and perseverance shown by the citizens of Edgemont and the surrounding area in South Dakota's Southern Black Hills. Only a couple of years ago the vision of South Dakota's uranium possibilities was tenaciously held by the handful of pioneer prospectors from Edgemont who laboriously worked their claims and constantly explored the ever-expanding limits of known uranium-bearing ore deposits.

Their patience through these early years of prospecting, and their perseverance in spite of all subsequent obstacles, has now resulted in construction of this new processing mill. Surely this will stand as a monument to the untiring efforts of many, many people in the Black Hills area of western South Dakota and eastern Wyoming.

To further document the tremendous progress of this new uranium mining industry in recent years, I want to place in the RECORD two specific items.

The first is an editorial appearing in the Hot Springs Star, of Hot Springs, S. Dak., which comments on the future potential of uranium development in the Black Hills.

The second item is an article entitled "Black Hills Seen as a Top U-Ore Producer" as written by LeRoy F. Holst, public relations director of the Edgemont Mining & Uranium Corp., and as published in a recent issue of the Uranium Information Digest.

[From the Hot Springs (S. Dak.) Star]

A BRIGHT FUTURE NOW EVEN BRIGHTER

Friday, June 23, is destined to be a memorable day for Fall River County—in fact for all of South Dakota.

It is on that day that Gov. Joe Foss will break the ground and construction of the uranium processing mill at Edgemont will begin. We are among those who believe that uranium mining and processing are destined to become vital forces in South Dakota's economy—not only in the southwestern section of the State but in other parts as well. With the surface barely scratched, the mining industry alone brought added prosperity to this area, and it is noticeable not only in Edgemont, but in Hot Springs and other nearby cities as well. With new and richer fields being uncovered every day, with new mining corporations being formed almost weekly, and now with construction beginning on the processing mill, the bright future we have to face in this area becomes even brighter. As the prospectors, the miners, and the stockholders continue to prosper, so will we all, from this new-found source of wealth.

Already new jobs have been created, and with the development of the mill we may expect that trend to continue. More jobs will mean more people, and hand-in-hand will come additional business for all of us, as well as the development of new enterprises.

The battle for the location of the uranium processing mill was a long and a bitter one with every resource in Wyoming used to promote the location at Newcastle. There is no doubt but what the known rich ore-bearing fields of the Edgemont area and the established stockpile had its effect on determining the location of the mill, but not to be forgotten are the efforts of the people of the county and the State who recognized this new industry for what it is and expended time and energy in selling the Edgemont area. Of no little consequence in the blessing of this enterprise were the efforts of Senators Mundt and Case, Congressman Berry and

Gov. Joe Foss. Theirs was the selling job at the top level and the proof is with us Friday of their accomplishment.

This, it is said, is the land of opportunity. In the uranium story there certainly is the proof, as much of what was once thought to be barren, rocky hillsides, are found to be rich, carnotite-bearing ore bodies with a potential of millions of dollars. Yes, the future is a bright one for southwestern South Dakota.

In Edgemont they say, "Like the horseless carriage, uranium is here to stay." Of that there is no doubt. The ground-breaking for the mill at Edgemont Friday serves as a welcoming celebration, not only for the mill but for the entire new industry that is uranium. It is as important to Hot Springs as it is to Edgemont, and this city should turn out en masse.

BLACK HILLS SEEN AS A TOP UNITED STATES U-ORE PRODUCER

(By Leroy F. Holst)

With the uranium potential of the carnotite-rich Edgemont area, in the Southern Hills, supplemented by that of the radioactive lignite deposits to the north, operators of the Black Hills feel that these age-old geological formations may well prove to be one of the Nation's top sources of uranium.

Although the Northern Hills ore occurs in such vast quantities that engineers use acre-feet for measurement, instead of tons, and the average grade for the field has been estimated at 0.40 percent, it may be some time before operations will be feasible. Classified as a coal reserve by the Department of the Interior under Public Law 585, this agency and the AEC are holding conferences to determine whether new legislation is required to handle uranium mining or whether this can be done by administrative ruling.

The AEC is confident that a process will be developed to satisfactorily and economically procure uranium from lignite, according to Senator FRANCIS CASE, Republican, of South Dakota, and that a plant will be constructed in Harding County to handle uranium production for the commission. With 10 companies doing exploration and development work in this area, a recent core drilling on one of 1,500 claims revealed a 2-foot vein which assayed 7.16 percent.

Operators in the Edgemont area, however, have surmounted most of their problems and, with half a dozen mining companies in production, continuous stockpiling at the Edgemont buying station was one of the major factors favoring this city's apparently successful bid for a 200-ton processing mill.

Senator KARL E. MUNDT, Republican, of South Dakota, and Congressman E. Y. BERRY, Republican, of South Dakota, were active in presenting Edgemont's case before the Commission, based on the substantial uranium potential of the area, ideal transportation facilities, and the stockpiling at the buying station.

Contract for the mill is being negotiated with Mines Development Inc., of Denver, who will finance construction and operation of the plant. Cost of and location of the mill will be disclosed as soon as the contract is signed.

Upon completion, the mill will have approximately 100 employees and will process 200 tons of ore a day. With continued stockpiling from the area's producers, the mill will have a considerable reserve which may preclude any shutdowns.

Art Ludwig and E. J. Brockman, pioneer prospectors and operators of the Edgemont area, have been active in exploration, development, and production since early in 1952. Watching the transition of the Edgemont area from cattle country to a highly important center of the uranium industry, they have a justifiable pride in the roles

they have played in this dramatic metamorphosis.

In the late spring of 1952, the partners hit the well-known jackpot.

With a steady stream of ore, which assayed as high as 0.50 percent, on its way to the nearest processing mill at Rifle, Colo., their income climbed steadily. Expansion of old operations began and new ones were started with installations of modern mining equipment.

A new strike was made last summer which received nationwide publicity. Called the Gould Strike, it is located in the Chilson Canyon area about 12 miles northeast of Edgemont and may well prove to be one of the richest carnotite ore-bearing properties in the Black Hills. With but 10 of the lease's 960 acres drilled for exploratory purposes, some assays show uranium oxide content as high as 2 percent.

Reorganization of the Edgemont Mining Co., Inc., was effected last October with the issuance of 3 million shares of common stock for public offering. The entire issue was oversubscribed within 24 hours and it is now being traded on the open market. The officers of the new organization, Edgemont Mining & Uranium Corp., are: E. J. Brockman, Edgemont, chairman of the board; Art Ludwig, Edgemont, president; Ray C. Ludwig, of Englewood, Colo., executive vice president; Walter D. Jorgensen, Aurora, Colo., secretary-treasurer with William W. Schoonmaker, and Harold D. Stickney, Edgemont, directors.

Included in the firm's expansion plans are purchases, totaling \$225,000, of new equipment and \$75,000 earmarked for airborne reconnaissance of all its properties, to ascertain the most profitable sites for new operations.

Edgemont Mining & Uranium Corp., has interests in approximately 2,400 acres in Fall River and Custer Counties, located in the Southern Black Hills of the southwestern corner of South Dakota. Holdings of the company have grossed approximately \$400,000 to date.

The ore body on the Gould lease is being mined by the Pictograph Mining & Uranium Co., Inc., under a profit-sharing contract, made in June 1954 to run a maximum of 2½ years.

The Virginia C group, which comprises six lode mining claims, is under lease to EMU to August 1957 with option to extend to 1962. One of the largest producers in the Black Hills, the ore shipped from the Virginia C operation has averaged 0.30 percent uranium oxide and 0.75 vanadium oxide. Both stripping and underground operations have been used at the C.

Another of Edgemont Mining's large producers is the Lundberg lease, situated about 1 mile northeast of the Virginia C, which covers 11 claims. These claims are leased to March 1957 and renewable for an additional 5 years. About 50 percent of the tonnage produced and shipped from this property was strip mined from surface deposits ranging in thickness from 1 to 6 feet. Present production is being mined from a sandstone bed about 1 foot thick and averaging 0.24 percent in uranium oxide.

The Pilsner group, comprising 16 lode claims owned by Edgemont Mining, is the only property of the corporation in Custer County. Production on the Pilsner holdings has been accomplished through stripping operations and the ore has assayed as high as 0.33 percent uranium oxide.

Comprising a full section, the Taylor lease is held by EMU under two 5-year leases, dated September 1952 and May 1953, with options to renew for an additional 5-year period. Sixty of the 640 acres have been explored by drilling and bulldozing and many carnotite deposits have been found in many areas of the entire northern half of the section.

Averaging 0.20 percent, the ore from this property has been produced from an ore body just a few feet below the surface. Discontinued during the winter months, operations will be resumed in late spring. Because of the shallow stripping, production costs on this operation have been low, averaging \$5 per ton of ore.

The Cradall group of 4 lode claims, of approximately 80 acres, is an Edgemont Mining & Uranium Corp., owned property. Assessment work in March of last year resulted in a shipment of strip mined carnotite ore from surface deposits, which assayed 0.26 in uranium oxide and 0.43 percent in vanadium oxide. The corporation plans extensive exploratory drilling and development of this property during the summer.

One other property, the Hamilton lease, is held under a 5-year lease by the corporation with option to renew for an additional 5 years. Three miles north of the Virginia C, very little exploratory drilling has been effected on this lease but the 5 claims of 100 acres show great promise.

Pictograph Mining Co., another pioneer mining operation in the Edgemont district, was reorganized and incorporated early this year as Pictograph Mining & Uranium Co., Inc. The holdings of the new corporation include the original carnotite discovery site in the Southern Hills. Known as the Pictograph claim, this property is located in the Craven Canyon area of Fall River County. Within 4 years, this discovery has certainly changed the economic picture of the Edgemont district. With a total of 4,500 acres, all in Fall River County, Pictograph is planning exploratory drilling on an extensive scale, to start late this spring.

One of the properties adjoins the well-known Virginia C mine and the corporation holds great expectations of rich production from this holding. Officers of Pictograph Mining & Uranium Co., Inc., are: Matthew J. Brown, president; Lawrence Rhodes, vice president; Marvin Cummings, secretary and treasurer; and Art Ludwig, director.

Sodak Uranium & Mining Co., Inc., was incorporated under the laws of Delaware on November 15, 1954, with the following officers: C. J. Ortmyer, chairman of the board; Clyde R. Boyle, president; W. E. Haldane, vice president; Paul H. Russell, secretary and treasurer; with directors Jack O. Jones and Munroe F. Pofcher completing the directorate.

Formerly a partnership, in which Ortmyer and Boyle were interested, the new corporation plans considerable expansion of its exploratory drilling program, previously carried on by the partners. During 1955, Sodak expects to complete 100,000 feet of drilling in the Edgemont area as well as in Butte and Cooke Counties, Wyo. The corporation has approximately 16,000 acres in these 3 regions and, with 2 additional drills on order, the expanded program should be under way in the near future. Sodak also plans additional surveys by airborne reconnaissance in South Dakota, Wyoming, and Colorado.

The Black Hills Uranium Corp. was incorporated in January of this year by pioneer prospectors and operators of the area, who make up the new corporation's group of officers. They are: Roy E. Chord, president; Eugenia Chord, vice president; Charles M. Weber, secretary and treasurer; and Gordon Kamerer, director.

Although properties of the corporation have not been completely explored, a substantial tonnage has been mined and a very considerable tonnage remains to be mined, as evidenced by drilling data and over 50 surface exposures.

At the present time, Black Hills has two operations which have been in continuous production, Hold Up No. 15 and Hot Point No. 3, with the ore assaying 0.24 percent

uranium oxide. The corporation also has Kados No. 3, Hot Point, Nos. 1-2 and 7, High Pockets No. 6, Green Slipper No. 5, Shamrock No. 4, and Clarabelle, Nos. 1, 2, 3, 4, and 5. Most of these will be under production by the end of the summer.

Mining operations and reconnaissance on the corporation's Red Canyon and Craven Canyon holdings have been under the supervision of Carl Bayes, consulting engineer of Urbana, Ill., and this spring will find much exploratory activity on Black Hills Uranium Corp.'s properties.

The corporation's claims were recently involved in a claim-jumping suit that was given widespread publicity. Judgment in the suit, heard in the district court at Hot Springs, S. Dak., in January, was in favor of the plaintiffs, Roy E. Chord and the Black Hills Uranium Corp.

The first load of carnotite ore to be sold from South Dakota was taken from Hot Point No. 2 and shipped to Rifle, Colo., by Roy Chord on January 28, 1952. This test load averaged 0.75 percent uranium oxide and, like most of the ore in the Edgemont district, was very low in lime content.

Mining Research Corp., headed by Clifton W. Livingston, president, was formed to conduct research on in-situ leaching of uranium ores and to develop processes for treating low-grade uranium ores. The corporation acquired leases in the Edgemont area from various landowners and consolidated its holdings in a block comprising approximately 7,000 acres. In association with Shannon Oil and Freemont Oil Co.'s Mining Research Corp. also acquired nearly 100,000 acres of unexplored land in the Carlyle, Aladdin, New Haven, Hulette, and Missouri Buttes areas along the outcrops of the Fall River, Fuson, and Lakota formations, on the north west flank of the Black Hills uplift.

The rapid development of the Edgemont district forced the corporation either to abandon the research program it had consistently pursued, or to restrict itself to research. Accordingly, milling agreements were entered into with Edgemont Mining & Black Hills Uranium Corp. These agreements affect the major portion of the ore reserves of the district. A study was then made, covering the economic factors that determined the proper location for an Edgemont mill. As a result of this survey, the best available mill site was purchased. The services of E. C. Bitzer, former metallurgical consultants to the Atomic Energy Commission, were obtained, and Knowles & Associates, of New York City, were engaged to undertake the preliminary design of the mill.

An agreement was then entered into with Climax Molybdenum Co. in which Livingston Metals Corp. (to be controlled by Climax) was formed for the purpose of constructing a mill at Edgemont, if a satisfactory contract could be secured from the Atomic Energy Commission. Land acquired in the Black Hills by Mining Research is included under the Livingston Metals agreement.

Rosebud Oil, Inc., on February 1, 1955, took over 76 full claims in the Edgemont mining district, held by the McLeod Mining Co. A South Dakota corporation, capitalized for \$50,000, Rosebud has 900 acres of proven oil properties in Weston County, Wyo., with 11 producing wells. The corporation has far-flung uranium properties, with 1,900 acres under lease near Santa Fe, N. Mex.; 650 claims in Grand and San Juan Counties, Utah, and 111 claims in Harding County, in the Northern Hills.

Rosebud has outlined considerable exploratory drilling on the former McLeod Mining Co. claims this spring. A Dry Forks Canyon mine, in the Moab district of Utah, was opened the latter part of March.

The McLeod Co. was under profit-sharing contract to Edgemont Mining to work EMU's Freeze Out No. 4 mine, in the Pilsner Group, until weather conditions precluded further operations, on February 1. Rosebud will

resume work on the contract as soon as weather permits, according to word from the firm's headquarters at Huron, S. Dak. Ore from the Freeze Out No. 4, located about 22 miles from Edgemont, has averaged 0.20 percent uranium oxide, with occasional assays of 0.33 percent.

Sacred to the Sioux for centuries, their Paha Sapa, or Black Hills, were to be forever kept free of white settlement under the famous treaty of 1868. Nullification of this treaty, drawn up between Agalala Sioux Chief Red Cloud and the Federal Government, was affected through the steady encroachment of the whites, following discovery of gold on French Creek, in 1874. Much blood was shed, as a result of this gold, climaxed by the Custer massacre on the Little Big Horn, June 25, 1876.

Today, producers in the Black Hills continue to mine and sell, to the Government, exceptionally high-grade ore, samples of which have run as high as 12.67 percent (chemical assay by AEC) in uranium oxide.

The Smog Problem

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mr. McDONOUGH. Mr. Speaker, Los Angeles and the whole of southern California is confronted with one major problem which so personally affects every man, woman, and child living in the area that I believe the average man on the street, if asked to name the one problem he considers most serious in Los Angeles as it affects him individually, would reply without hesitation "The smog problem."

Smog, the result of a complex and little understood air pollution, has descended upon southern California like a plague blotting out the usual sunny skies which were the pride of all Californians a few short years ago. It has come, most experts agree, as a result of the tremendous expansion of population and industrial growth with all the increases in motor vehicle traffic, waste disposal, and other necessary community processes which, unless properly supervised and controlled, can contribute to the serious contamination of the air such as we are now experiencing.

I sponsored H. R. 3680 in the House to authorize the Department of Health, Education, and Welfare to conduct an intensified research into the causes, hazards, and effects upon the health and welfare of the people of air pollution, and to develop effective methods for its prevention and control. Senator THOMAS KUCHEL sponsored a similar bill in the Senate.

Because the Senate acted on this legislation before the House considered the bill I introduced and other House legislation relating to this subject, the Senate bill was brought to the House floor for consideration and passed, becoming Public Law 159 of the 84th Congress.

This legislation which I sponsored and supported is the first major step on a nationwide scale toward solving the smog problem and eliminating one of the

most serious threats to the health and well-being of the people, not only in southern California, but in all parts of our Nation. It also definitely establishes the responsibility of the Federal Government to join with State and local governments in the fight to control and eliminate dangerous air pollution.

Under the provisions of the Smog Act, a 5-year program of research has been established which will be carried on for the entire period under the supervision of the Department of Health, Education, and Welfare. The act also includes an appropriation of \$5 million a year to carry on the meticulous research necessary to determine the causes of air pollution such as smog, and its effects on the health of the people, as well as to develop methods to control and eradicate dangerous air pollution. The total appropriation for the 5-year period will total \$25 million.

This is an incidental expense when consideration is given to the enormous benefits to each and every citizen which can result if we solve the problem of effective control and elimination of air pollution. In fact the county of Los Angeles alone has reported appropriations of more than \$2½ millions toward research in its effort to control air pollution since 1947, and is now maintaining more than 200 employees in this work at an annual cost of nearly \$2 million.

The program set up under the Smog Act will make possible technical and financial aid for a joint effort by the Federal Government and the States and local governments and will provide for the collection and dissemination of information resulting from research which will be valuable to local agencies in their efforts to eliminate pollution from the air.

It is my hope that as a result of the scientific research and exhaustive investigation which will be carried on in all parts of the Nation under the new program, we will finally find an effective method of controlling and eliminating smog and other conditions caused by air pollution.

When the problem of air pollution is finally solved, we will have overcome one of the most serious threats to human health and welfare which has resulted from the tremendous expansion of both population and industry in this atomic age of the 20th century.

Let's Give President's Highway Program a Green Light

EXTENSION OF REMARKS

OF

HON. RUSSELL V. MACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mr. MACK of Washington. Mr. Speaker, editors of the Nation in their editorials in the daily press are expressing deep disappointment over the failure of this Congress to give a green light to President Eisenhower's expanded high-

way program in order to provide the Nation more, better, and safer highways.

The editors and the people generally are and should be disappointed. The failure of the Congress to provide for safer highways in effect sentences several thousand Americans to die needlessly each year in traffic accidents, who, were better highways provided, would live out longer lives.

Testimony before the Public Works Committee during the road hearings was to the effect that the President's highway program, at a minimum, would cut the death and accident toll on our highways by at least 10 percent. This means that 3,500 to 4,000 American lives a year would be saved if adequate highways were provided. Also, that the million Americans now injured in traffic accidents each year conservatively would be reduced by at least 100,000.

This great unnecessary waste in life and limb, with its misery, pain, and wasteful costs, which if stopped or even lessened by better roads, would more than pay for the cost of building these better and safer highways.

President Eisenhower showed himself a great humanitarian when he, after the defeat of the highway bill, told Congress and the country that he "devoutly hoped" Congress would reconsider the action by which it scuttled the much-needed expanded highway program.

Editorials in newspapers coming into the Nation's Capital indicate the editors of the Nation agree with the President and not with the Congress which has turned a deaf ear to the President's humanitarian pleas for better and safer roads.

Appended here is a typical editorial deploring the failure of Congress to act affirmatively on the President's highway program.

The editor of the Herald Tribune, of New York City, writing on the failure of the Democratic Party to act on highway legislation, editorially said:

RED LIGHT ON ROADS

The Democratic Party climbed to marvellously high moral ground to wage its battle against President Eisenhower's highway program. Its members were a little unaccustomed to the altitude. All through the legislative session, however, they managed to make noises indicating that its provisions for extrabudgetary financing were deceptive and conveying the impression that—perish the thought—a spendthrift had found his way into the White House.

It would be funny if we didn't need the roads so badly.

President Eisenhower's program recognized that highway construction had never recovered ground lost during the war and that this fact, combined with annual gains in the number of vehicles registered, was bringing us face to face with a real emergency. Automobiles are basic to the American economy, and if roads are not provided for them to operate on every one is going to suffer.

The President's plan was for a massive effort to catch up, financed in part by the issuance of \$21 billion in bonds that would not be part of the national debt, and that would be paid by the revenues from certain taxes.

Although the Democrats opposed it on the aforesaid moral grounds, one suspects that the proposal's really fatal flaw was that it was too good, that the opposition couldn't bear to help the President solve the problem so cleanly and get the credit for it.

At any rate, their counterproposal was for vastly more of the same old Federal aid, accompanied by increased taxes on fuels, tires, and heavy vehicles. The only trouble was that their own members didn't have what it took to stand up against the vocal opponents of the new levies and the whole business collapsed—and much to the leaders' surprise—on the floor of the House.

All of which leaves the country stalled in the traffic, with plenty of time to mull over how to vote next time.

Dedication of General John J. Pershing Plaque

EXTENSION OF REMARKS

OF

HON. ROMAN L. HRUSKA

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Friday, July 29, 1955

Mr. HRUSKA. Mr. President, I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD my remarks as made in Los Angeles, Calif., on July 25, 1955. The occasion was the dedication of a memorial plaque on Pershing Square, in that city, honoring Gen. John J. Pershing, after whom the square was named.

The program was under the sponsorship of Woodmen of the World Life Insurance Society, of Omaha, Nebr. It was holding its national convention in Los Angeles at the time, under the leadership of its president, Farrar Newberry.

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

REMARKS OF UNITED STATES SENATOR ROMAN L. HRUSKA AT DEDICATION OF GENERAL JOHN J. PERSHING PLAQUE, PERSHING SQUARE, LOS ANGELES, CALIF., JULY 25, 1955

The American people are grateful for the safe return of our President Eisenhower to the Nation's Capital. They are grateful, too, for his most recent efforts in the incessant search for peace, which has been pursued by him and his administration so capably and persistently.

While there are optimistic statements on the outcome of the Geneva Conferences, it is much too early to properly appraise them. This inability to judge so early is something which thoughtful people had in mind even before Geneva talks started. We were told, and rightly so, that a readymade, beribboned, and complete solution to the world's ills could not and would not be expected. It will still be a long, torturous process before the goal is reached.

In spite of all this, great gains were made in Geneva.

First, leaders of the nations at the conference recognized the terrific force of the universal, common desire for peace held by the rank and file of the peoples of the world. These leaders recognize that their people expect and demand that something be done by them. They have responded to this desire for peace.

Our President was right when he stated that he came to Geneva with something more powerful than the Army, Navy, and Air Forces which he commanded in Europe 11 years ago. This something was the good will of America, the great hopes of America—the aspirations of America for peace.

Secondly, the Geneva talks proved that there is foundation for some hope that war is not necessarily inevitable. There is hope that the leaders of nations will realize and

act upon the stern truth which every thinking individual knows, to wit: the futility of armed conflict, and the fact that everyone loses and no one gains from it.

Geneva in itself may not have solved much. It does lay foundation for much. It will be followed by further conferences on lower levels where further progress can be made.

President Eisenhower acted and spoke boldly. It is heartening to know that he did so fully aware of the dangers of meeting with Soviet Russia's leaders, who have so often in the past proved themselves to be unreliable, deceitful, and treacherous. They must be and will be dealt with accordingly.

But the stakes of gains toward peace are so great, that every avenue and hope for peace, however faint they may be, should be fully and thoroughly explored and pursued. We can be confident that they will be in the same stable and capable and farseeing fashion which has characterized our foreign policy under President Eisenhower to date.

America's position in world leadership which exists, whether we like it or not and whether we strive for it or not, was a long time in formation. One of the big features of that growth was our entry into World War I and the military successes which this country had in it.

General John J. Pershing whom we honor here today was one of the most potent of all the personalities who were active in that period. His ability and leadership did much for America's standing in the eyes of the world. When we consider our fortunate position on the world scene it is fitting that we give General Pershing due credit and that we honor him as we do.

The placing of historical markers serves several purposes. Among them are these: to inform, to remind, and to inspire.

Today as we dedicate this plaque honoring Gen. John J. Pershing, there is a wealth of material for fulfilling all of these purposes, for this general is one of the most outstanding of America's. His life and works arouse not only feelings of gratitude for service rendered in time of crisis, but admiration for the variety and duration of his activities for his country.

This great patriot died at the age of 88 in the year 1948. His life span had then covered more than one-half of the duration of our Republic under the Federal Constitution. And what a jam-packed, thrilling, and significant life was packed into those four-score and 8 years.

It was exclusively a military career. His first taste of the art and the hellishness of war was at the age of 4 when he stood in the doorway of his home in Linn County, Mo., and watched the sweaty, weary, blood-streaked men stagger home from Appomattox. Seventeen years later, he entered the United States Military Academy at West Point. He remained in active military service continuously and without interruption until his retirement in 1924, a period of 43 years.

This career from cadet to commander in chief of the American Expeditionary Forces, to Chief of Staff, and to the General of the Armies sought a wide range of activity. He led his men through almost every kind of campaign: Indian wars in the Southwest, the Moros in the Philippines, against Pancho Villa in Mexico, and finally as Commander in Chief of the AEF in Europe against the German Armies. The slogan of "Join the Navy and see the world" was not in Pershing's case considered the sole property of one branch of the armed services.

Perhaps the first time he came in wide and popular notice was in 1914-15 during the Mexican border troubles. He was sent out after Pancho Villa after a number of raids by the illusive and colorful figure. Pershing caught up with the culprit, only to get orders to let him go. It was this campaign which did much to result in his appointment as head of the AEF.

In addition to the service in the Spanish-American War, in the Indian hostilities in the the southwest country of the United States, in Mexico, in the Philippines, in Hawaii, and other places, he was assigned and served briefly in Europe as early as 1908 as observer of the Balkan military activities.

The background, training, and experience which he got in the military field campaigns, as well as teacher at West Point and the University of Nebraska, and as administrator at desk work in Washington and elsewhere, all built up to qualifications which served in mighty good stead in later years.

In 1905 and after his brilliantly effective Moro campaign in the Philippines, he was promoted by President Theodore Roosevelt from captain to brigadier general over 862 officers. This brought about a great storm of comment and criticism even though some of his contemporaries were similarly promoted; Gen. Leonard Wood, for example, who was promoted over 91 seniors; Gen. J. F. Bell over 1,031 seniors; William Crozier over 493 seniors, and others. Later events, of course, justified the choice and preference thus extended.

All of his powers and talents were called for to full limit when he assumed command of the American Expeditionary Forces in Europe. His first great trial and battle was not with the enemy, but with the generals and the military forces of the Allies. They wanted the American soldiers to serve as replacements within the Allied Forces rather than as a force of their own. This was stubbornly resisted by General Pershing because he knew that the effect of such a policy would be disastrous upon the morale of the men and to the place of our Nation in the eyes of the world. He stubbornly held out until the American forces were trained and mobilized in full force at which time they entered the conflict under their own flag, although under the supreme command of Marshall Foch.

After the war he served as Chief of Staff at home and was made General of the Arms. Even after his retirement from active service in 1924, he continued his role of adviser and counselor in military affairs and one of the biographers states:

"His service to his country was beyond measure; the strategy of today's United States Army is, in large part, his concept."

It is so fitting that the Omaha Woodmen Life Insurance Co. with its home offices in Omaha, Nebr., should sponsor this significant and meaningful occasion of dedication. Pershing shortly after his graduation from West Point was assigned to the University of Nebraska as professor of military science. Those were tough years for any military organization and especially so in the Middle West, but he breathed new life into the classes and into his drill companies. Shortly after his arrival in Nebraska, National Competitive Drills for college military organizations were held in nearby Omaha, the home office city of Omaha Woodmen Life Insurance Society, incidentally. With great effort he assembled enough support from faculty as well as his student body to enter a drill company into that competition. That company won the Omaha Cup and a cash prize of \$1,500. While in Nebraska University he attended classes in the law school and graduated law school in the year 1893 there. It had been one of his early ambitions to study the law and this was fulfilled in Nebraska's capital city. It is significant to note that during all the years which followed, he maintained his legal residence in Lincoln, Nebr., at 1748 B Street.

One of the memorials to his affiliation with and affection for Nebraska is the "Pershing Rifles" which has its national headquarters at the University of Nebraska in Lincoln. It is a national honorary military society founded in 1894.

There is another reason why it is fitting that this occasion should be under the auspices of the Omaha Woodmen Life Insurance Society. This great patriotic and fraternal organization has long had its policy the honoring of great Americans and the encouragement and promotion of the study of American history.

In the past it has honored notable Americans such as Presidents John Tyler, Zachary Taylor, Andrew Johnson, James K. Polk, and William Howard Taft by suitable placement and dedication of plaques and markers. Two other generals have been similarly honored. Namely Grenville Dodge and Nathan Bedford Forrest.

The leadership of the Omaha Woodmen Life Insurance Society is to be highly commended for the patriotic program which they have developed and which they are following so well. The membership of this great organization is likewise to be commended for supporting this program so enthusiastically and so loyally. The entire Nation is the recipient of a great deal of benefit as a result.

In the name of the public generally, I extend our thanks together with our appreciation.

Treasury Department Report Relating to Cooperatives

EXTENSION OF REMARKS

OF

HON. JERE COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mr. COOPER. Mr. Speaker, due to the wide interest in the tax treatment of cooperatives, I am including in the CONGRESSIONAL RECORD a letter dated July 26, 1955, which I have received from the Secretary of the Treasury, wherein he sets forth some problems which have arisen relative to the tax treatment of cooperatives and his suggestions for meeting these problems:

THE SECRETARY OF THE TREASURY,
Washington, July 26, 1955.

HON. JERE COOPER,
Chairman, Committee on Ways and Means, House of Representatives,
House Office Building, Washington,
D. C.

MY DEAR MR. CHAIRMAN: Recent Court decisions have made it clear that certain tax legislation which the Congress enacted in 1951 is not working out as the Congress intended.

Public Law 183, 82d Congress, 1st session (now embodied in secs. 521 and 522 of the Internal Revenue Code of 1954) eliminated the tax exemption of cooperatives which had existed previously. A study of the legislative history of this law shows that it had the clearly intended objective of taxing all cooperatives' income in the year earned, either to the cooperative or to the individual member.

Prior law had permitted cooperatives to accumulate necessary reserves tax free. In the 1951 law the Congress removed the allowance for tax-free reserves and provided that cooperatives were to be taxed on earnings at the regular corporate rates. However, in computing taxable income they were allowed deductions not only for cash distributions to their patrons but also for allocations made to patrons of their proportionate shares of the income of the cooperative. The allocations could take any of many forms, including certificates of beneficial interest, and promissory notes with or without due dates or interest.

In taking this action in 1951, the Congress apparently relied on rulings of the Internal Revenue Service that patronage allocations were taxable to patrons when made, regardless of their form. Accordingly, the 1951 act made no specific reference to the taxability of refunds in the hands of patrons. Congress apparently assumed that the rulings of the Internal Revenue Service were valid, that cash refunds would be taxable currently to the patrons in full, and that noncash allocations, in whatever form, also would be taxable currently to the patrons at face amounts.

It thus was intended in 1951 that the cooperative income should be taxable as it was earned either to the cooperative itself, or to its members. Such income was to be taxable to the cooperative as a corporation unless paid in cash or otherwise allocated as patronage refunds, in which cases it was assumed to be taxable to the patrons or members.

However, several courts now have held that when allocation certificates issued to patron-members have no fair market value, they are not properly includible in the taxable income of the patron-members when issued. Notwithstanding the nontaxability of these allocations to the members, they remain currently deductible by the cooperative under the clear terms of the 1951 act. It therefore is possible for cooperatives to take current tax deductions for certificates which are nontransferable, nonredeemable, and noninterest bearing, and not taxable to anyone. Cooperatives thereby may retain earnings, for indefinite periods of time, with no liability for income tax by either the cooperative or its members. Thus, the 1951 act has failed to accomplish its purpose and, contrary to Congressional intent, in at least some instances cooperatives may retain earnings with no tax imposed either on them or their members.

The general plan of the 1951 legislation, to tax all income from cooperatives' operations as it is earned either to the cooperative or to its patron-members, might now be made effective by appropriate action of Congress in the following manner.

It could be provided that cooperatives could take deductions in computing their taxable income only for (a) cash distributions and (b) noncash allocations issued in such form or under such circumstances as would make them currently taxable to the patron-members receiving them, and (c) the amount deductible by the cooperative itself should not exceed the amount so currently taxable to patron-members.

This would not interfere with the proper function or financing of cooperatives, but would make it certain that all income is taxed in one place or the other as it is earned. The traditional handling of cooperative affairs would not be impeded.

Some difficulties are involved in requiring patron-members to pay tax currently on non-cash allocations. Where the patron-member gets no cash distribution, he may not have funds to pay the tax. The Internal Revenue Service has received numerous complaints from individual patron-members who object to paying tax on noncash allocations. Many people naturally consider only cash receipts and expenditures in making their income-tax returns.

These difficulties can be eliminated by the adoption of a withholding system comparable to that on wages and salaries. The tax could be withheld at the bottom rate for individuals (now 20 percent). As in the case of wages and salaries, refunds automatically would be made to those entitled to them and additional taxes paid by those subject to higher tax rates. Withholding at source would help both patron-members in payment of their taxes and the Treasury in its enforcement and administration problems.

The preceding changes would implement the intent and purposes of the act of 1951. They would make it sure that noncash allocations would be taxable, and that tax would actually be paid on behalf of the recipients. Further wholly-tax-free additions to the capital of cooperatives would be prevented.

Cooperatives still would be able to retain for their business use the entire amount of their earnings, subject only to the 20 percent withheld and paid on the tax liabilities of patron-members, by allocating all earnings to their patron-members in the form of taxable certificates. At some appropriate time your committee may desire to undertake a careful study to determine whether or not this result is in the public interest, in view of the alleged competitive situation existing between cooperatives in competition with corporate businesses which can expand their activities by retained earnings only after paying tax at the full corporate rate, or by sale of securities to the investing public.

The Treasury Department will be glad to be of such assistance as we can to you and your staffs in any consideration that you may give to the various aspects of this subject.

Sincerely yours,

G. M. HUMPHREY,
Secretary of the Treasury.

Smuggling of Heroin Into the United States

EXTENSION OF REMARKS
OF

HON. HERBERT H. LEHMAN

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Friday, July 29, 1955

Mr. LEHMAN. Mr. President, some weeks ago, I received a letter from Mr. André Fontaine, the editor of the Bluebook magazine, sending me a copy of an article published in his magazine, in which it was asserted that the Italian Government was facilitating the smuggling of a great flood of heroin into the United States.

In order to obtain some informed comment on the observations contained in this article, I wrote to the State Department. I have received from the Department a very interesting reply containing reference to some official reports on the measures the Italian Government has undertaken to inhibit and restrain the narcotics traffic and the export of illicit drugs to the United States.

I am sure we will all be pleased to know that the Italian Government is taking active and forceful steps to stamp out this evil trade, which is a source of such concern to the entire country.

I ask unanimous consent that the communication from the State Department, which I have just referred to, together with my letter to Mr. Fontaine, editor of Bluebook magazine, be printed in the CONGRESSIONAL RECORD.

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

JULY 6, 1955.

MR. ANDRÉ FONTAINE,
Editor, Bluebook Magazine,
New York, N. Y.

DEAR MR. FONTAINE: As you will recall from our previous correspondence, I sent your letter and the article entitled "How Italy's Government Lets Heroin Flood United States,"

contained in the June issue of Bluebook, to the Department of State for its consideration and comments.

I have just received a very interesting reply from Assistant Secretary of State Thruston B. Morton, and I am enclosing Secretary Morton's letter for your information. I am pleased at the concern which is evident in Secretary Morton's reply with regard to this very important narcotics problem. Obviously the Bluebook article has been studied with great care by the State Department, and I am sure it will have a salutary effect in maintaining proper concern for meeting this vital problem.

Thank you again for sending me this very informative and provocative article. You may be sure I will continue to watch developments in this matter with great interest.

Yours very sincerely,

DEPARTMENT OF STATE,
Washington, June 30, 1955.

The Honorable HERBERT H. LEHMAN,
United States Senate.

DEAR SENATOR LEHMAN: I have received your communication of June 3, 1955, enclosing a letter, dated May 19, 1955, from Mr. André Fontaine, together with a copy of the June issue of the Bluebook.

As indicated in the testimony of Mr. Harry Anslinger, the United States Narcotics Commissioner, before the Senate Subcommittee on Narcotics on June 3, the Bluebook article in many respects presents a picture of the Italian narcotics situation as it existed a few years ago, but it does not reflect the present state of things. In the past 2 or 3 years very great progress has been made by the Italian Government. This is confirmed by the report of the Committee on Seizures of the United Nations Commission on Narcotic Drugs which was adopted by the Commission at its 10th session in New York on May 5, 1955. An extract from this report reads as follows:

"ITALY

"50. The observer from Italy reported to the Committee on the narcotics situation in his country. Of the 36 kilograms of narcotics seized in 1954, 35 were of foreign origin, indicating that Italy was rapidly becoming a country of transit rather than origin. He assured the Committee that the Italian Government had intensified its struggle against the illicit traffic. A central bureau of narcotics had been set up in accordance with a new law passed in November 1954, and this office would coordinate activities throughout the country.

"51. In addition, the observer reported that his government had taken energetic measures to prevent diversion from licit drug factories. One of these measures was to institute in each drug factory a permanent control system to be enforced by the fiscal police.

"52. As regards the Migliardi case, the Committee was informed that the firm involved in the case (S. A. Schiaparelli) had lost its license to manufacture narcotic drugs and that the principal culprit, Migliardi, had recently surrendered to the authorities and had received a sentence of 11 years' imprisonment.

"53. The Committee desires to record its warm appreciation of the measures introduced by the Italian Government for the suppression of the illicit traffic and recommends that these be recognized in the Commission's report."

It should be noted that the United Nations Commission on this occasion expressed deep concern over the illicit traffic centering on certain other countries. The above-expressed views of the United Nations Commission were supported by Mr. Anslinger, the United States representative on that Commission.

The Department of State, in cooperation with the United States Bureau of Narcotics, has investigated the charge made in the Bluebook article that the Italian Government condones or protects illicit heroin manufacture and trade, and finds the evidence to be to the contrary at the present time. In July 1951 the Italian Government issued an order suspending the production of heroin in Italy. This order has been in force ever since. The most flagrant violator of the order has been severely punished by the Italian courts (the Migliardi case referred to above). According to the United States Bureau of Narcotics, the Italian Government is satisfactorily cooperating with United States narcotic agents in their efforts to prevent the flow of heroin and other narcotics through illicit channels into the United States.

It is to be noted that international organizations of which most of the nations of the world are members have recommended the extension of additional safeguards against the manufacture, trade and use of heroin to countries, including Italy, which have not yet adopted these further measures. In the case of Italy the safeguard most urgently needed is the permanent prohibition of the manufacture of heroin, as recommended by the World Health Organization and the Economic and Social Council of the United Nations. The United States Government has always supported these recommendations and it will continue to do so through the medium of the international organizations which have been established for this purpose.

Mr. Fontaine's letter and the Bluebook are returned herewith.

Sincerely yours,

THRUSTON B. MORTON,
Assistant Secretary
(For the Secretary of State).

Letters From the Department of Health, Education, and Welfare Relating to Provisions of the Social-Security Laws Dealing With Sharecroppers and Migrant Agricultural Laborers

EXTENSION OF REMARKS
OF

HON. JERE COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mr. COOPER. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I am inserting two letters which I have received from the Commissioner of Social Security relating to crop-sharing arrangements and migrant agricultural labor:

DEPARTMENT OF HEALTH,
EDUCATION AND LABOR,
SOCIAL SECURITY ADMINISTRATION,
Washington, D. C., July 5, 1955.

HON. JERE COOPER,
Chairman, Ways and Means Committee,
House of Representatives, Wash-
ington, D. C.

DEAR MR. CHAIRMAN: This is to confirm, as requested by you, the informal discussions that have been held with you and Congressman MILLS by representatives of the Department of the Treasury and representatives of this Department on the interpretation of normal crop-share arrangements for coverage purposes under the Federal Insurance Contributions Act and the Social Security Act. You requested that prompt consideration be given to this matter so that information would be available in the near future

to persons entering into crop-sharing arrangements.

In accordance with your request, we are glad to confirm your understanding of the provisions as they apply to crop-sharing arrangements. Under the interpretation agreed upon between the two agencies, an individual who undertakes to produce a crop or livestock on land belonging to another for a proportionate share of the crop produced or of the proceeds from the crop will be considered an independent contractor and not an employee. His net earnings from the crop-share arrangement will be creditable for social-security purposes if they amount to \$400 or more for the year. On the other hand, a landowner receiving a crop share, or the proceeds thereof, from such an arrangement will be considered as receiving rentals from real estate. Since such rentals are excluded from coverage under the Social Security Act, the landowner will not receive social-security credits as a result of the crop-share arrangement. This interpretation accords with views as expressed by you and Congressman MILLS in our informal discussions.

It is proposed to underwrite this interpretation through the promulgation of regulations by both this Department and the Department of the Treasury. Fundamental agreement has been reached regarding all essential aspects of this matter. Phraseology designed to implement the agreed-upon interpretation will be incorporated in the body of the regulations now being developed covering the amendments to the Social Security Act and the Internal Revenue Code which were amended during the year 1954. In the meantime, both agencies propose to follow in current rulings the effect of the proposed regulations.

We must point out, however, that this interpretation is restricted to crop-sharing arrangements where the share-farmer agrees to do substantially all of the physical labor incident to the production of the crop or livestock during substantially all of its growing period for a proportionate share thereof. Where the agreement between the parties provides that the individual undertaking the physical labor incident to the production of the crop is to be compensated at a specified rate of pay or is to receive a fixed sum of money or a stipulated quantity of the commodities produced (as distinguished from a percentage share of the crop, or the proceeds therefrom), the regulations will not apply. The regulations also will not be applicable, of course, where the parties enter into a valid partnership agreement or joint venture in regard to the farming enterprise.

Whenever the circumstances of any case make the agreed-upon interpretation inapplicable, the case will be disposed of upon the basis of such principles and interpretations as will be pertinent to determination of the social-security status of the parties.

If you wish additional information or if we can be of further service, please call upon us.

Sincerely yours,

CHARLES I. SCHOTTLAND,
Commissioner.

JULY 5, 1955.

HON. JERE COOPER,

Chairman, Committee on Ways and Means, House of Representatives, Washington, D. C.

DEAR MR. CHAIRMAN: On April 28, 1955, when we talked with you and Congressman MILLS about certain farm coverage questions, you requested information dealing with the administration of the social-security amendments of 1954 and their application to farm laborers in general and particularly to migrant and short-term employees.

As you well know, the amended law liberalized the tests for determining whether or not remuneration for agricultural labor is wages after 1954. The test is now on a yearly basis and requires that an employee be paid

\$100 cash wages in a calendar year by one employer. Payments in kind, such as board and lodging, do not count for social-security purposes. Under the new law, only the cash wage is considered with respect to agricultural labor and such factors as the period or the regularity of the service, previously in the law, are of no concern or consequence. Thus, migrant workers, day haul workers, and other intermittent or short-term farm workers are not covered unless they are paid at least \$100 in cash wages for agricultural labor in the year by one employer.

The \$100 annual cash wage test for farm employees, as you will recall, was established by Congress to cover additional farm workers and, at the same time, keep the reporting and recordkeeping problems for farm employers to a minimum by excluding the most casual and incidental employment. This test, of course, differs from the coverage requirements in business and industry where all earnings up to \$4,200, including certain payments in kind, are counted for social-security purposes.

The purpose of the \$100 cash wage test in respect to minimizing record-keeping difficulties was kept fully in mind in designing the recordkeeping and reporting requirements. These requirements have been worked out jointly by the Internal Revenue Service and this Bureau and are outlined in Internal Revenue Circulars A and Ag, which are tax guides for agricultural employers.

On page 7, of Circular Ag, item 8 states, in part:

"You should keep the following records on each employee to whom you pay, or expect to pay, \$100 or more cash wages in the year for agricultural labor;

"(a) The name and social-security account number of the employee;

"(b) The payments to the employee of cash wages for agricultural labor; and

"(c) The amount, if any, deducted as employee tax.

"If a record was not required to be kept because you did not expect to pay the employee as much as \$100 in a year (for example, a migrant harvester or other short-term worker), but it develops that he will be paid that much, you should begin keeping records for that employee including, as a starting point, the best available information or estimate of the amount you previously paid him in the year."

The same instructions are included in Circular A.

Circular A, item 7, on pages 5 and 6, provides instructions for the filing of returns involving agricultural employees. This item states, in part:

"Every employer who pays taxable cash wages after 1954 for agricultural labor will make a return on form 943 for each calendar year, beginning with the first year in which he pays such wages. In January following each calendar year the employer must report on form 943 the taxes, if any, payable with the return, and must list on such return the social-security account number and name of each employee to whom he paid taxable wages in the year for agricultural labor, and the total amount of such wages paid to the employee * * *.

The return on form 943 is the only return the employer will file for a calendar year if he incurs less than \$100 total liability in the first 9 months of the year for employer tax and employee tax on wages for agricultural labor. * * *

"An employer whose tax liability on wages for agricultural labor amounts to as much as \$100 at the end of the first, second, or third quarter of the year must also file a return on form 943A after the close of the quarter in which the \$100 liability is reached. Form 943A is a tax return only, and does not include any listing of employee's names, account numbers, and wages. Any taxes required to be reported in a return on form

943A are payable with such return and are not to be included in the return on form 943 due after the close of the year."

We are aware that some special problems arise in identifying and keeping earnings records for migrant, day haul, and other intermittent and short-term workers, especially where payment is made on an item or piecework basis. We have discussed these problems with a number of farm employers in different parts of the country and have made available to them simple techniques of identity and earnings accumulations.

One of the simpler systems used by employers in recording the taxable wages paid consists of cards which contain space for entering each employee's social-security account number and name, with a three-column arrangement for entering the cash payments. As the employee is paid, the amount is entered in the appropriate space. When the employee leaves, at the end of the day or at some other designated time, he presents the card to his employer who retains it for use in preparing his annual tax return.

Descriptions of this and of other systems have been made available to the district offices of the Bureau of Old-Age and Survivors Insurance for use in answering specific inquiries regarding recordkeeping devices. Recordkeeping forms have been made available to, and may be obtained from, State agricultural extension services, and business firms and agencies that publish farm recordkeeping aids.

With regard to the employee tax deductions, the law gives the employer a choice of deducting the employee tax for all wages, or he can begin making the required deductions as employees reach the \$100 cash wage amount. If the employer deducts the employee tax and the \$100 wage test is not met, or deducts more than the correct amount, he should repay the employee. Where the employer is unable to locate the employee or for other reasons cannot repay the worker, Circular Ag, page 7, item 7, paragraph 3, contains the following instructions:

"If you are unable for any reason to repay an overcollection to the employee by the end of the year, you must pay the amount of the overcollection to the district director in January following the year. You should furnish the district director a statement, explaining the overcollection, and showing the employee's account number (if known), name, and the amount you overcollected and did not repay to him. If you are required to file a return on form 943 for the year, your payment and statement should accompany the return. Please write the statement on a separate sheet of paper and not on the form 943."

Since the employer is not required to trace the worker for purposes of making a refund of tax contributions, the worker can secure his refund directly from the Internal Revenue Service if he cannot locate the employer.

Progress has been made in developing criteria for determining the identity of the employer for reporting and tax liability purposes, where the workers are recruited by third persons known, for example, as labor contractors, crew leaders, row bosses, and the like.

The identification of the employer responsible for paying the tax is made by determining whether the farm operator or the labor contractor has final authority to control the workers as to when, where, and how the job is to be done. Thus the labor contractor would be the employer when he agrees to perform all or a designated part of the farming operations, free of direction and control by the farm operator, for a stipulated sum or portion of the crop. As an employer, any workers he might hire to carry out the terms of his contract would be his employees. In this instance, his tax-paying, reporting, and recordkeeping responsibilities would be the same as those of any other employer of farm employees.

Of course, where the labor contractor simply makes workers available to the farmer and receives a stipulated fee for that service, he would be acting, in effect, as an independent labor broker and the farm operator would be the employer of the labor. Where he recruits the labor force on behalf of the farm operator and assists him in the work on the farm, under the general supervision of the farm operator, he is an employee the same as the farm workers he recruits.

We have received excellent cooperation from farm organizations throughout the country in the dissemination of information about the program, and on the whole the administration of the new coverage provision is progressing well. While there are still problems to be met in recordkeeping for migrant and other short-term farm employees, we are confident that these problems can be solved satisfactorily. Our experience shows that the continued protection of these workers under social security is not only desirable but entirely practical.

If we can be of further service to you, please call on us.

Sincerely yours,

CHARLES I. SCHOTTLAND,
Commissioner.

The Harris Natural Gas Bill

EXTENSION OF REMARKS OF

HON. E. KEITH THOMSON

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mr. THOMSON of Wyoming. Mr. Speaker, in all honesty and sincerity, I believe that the Members of Congress, who voted for the Harris natural gas bill (H. R. 6645) can take justifiable pride in having protected the best interest of the consumer by their action. In the limited time that was available to me during the debate, I pointed out a few of the many practical reasons why this is true, and anyone who has worked closely with the industry, either representing the industry or representing the public, realizes that it is true.

There is one additional matter that I think should be called to the attention of those who stood for private enterprise as opposed to Government controls that pertains not only to the best interest of the consumer, but also to the matter of States rights. It is a real example of how a State regulatory body, close to the people whom it serves and unconfused by diversified pressure, can best serve them.

Under the Phillips decision, before the Harris bill was passed, the State regulatory commission in my State, called the Wyoming Public Service Commission, was completely divested of the necessary authority to protect its people. Remember, we operated for 16 years from passage of the Natural Gas Act to June of 1954 under the theory that the Federal Power Commission had no authority whatsoever over the price of gas at the wellhead or at any other time until it entered the interstate transmission line. It was not until after the Phillips case that many of us received increases due to the increased cost of the gas as it entered the transmission line. Why was this true? Simply because of this. It is well

settled public utility law that the regulatory body will not reward the utility for the utility's own improvidence if the regulatory agency is doing its duty to the public. It is also well settled that confiscation does not begin as long as the utility is allowed some return, even though smaller than the court might think fair. This gave to the State or local regulatory bodies a wide area in which to operate, generally considered at some place between 4 percent and 10 percent in determining the rate of return that they would allow the utility to make in profits. Now prior to the Phillips case when the Cheyenne Light Fuel & Power Co., the utility which imports its gas from Texas to sell to my constituents, asked for a rate increase because they had contracted to buy gas for 10 cents, the Public Service Commission of Wyoming could say to them, "New York City buys its gas for 7.8 cents per thousand cubic feet. Other sales are made for even below 7 cents. If you are such an imprudent operator as to be paying 10 cents, we will penalize you by only allowing you to earn at the rate of 4 percent on your overall investment." If, on the other hand, the utility was successful in purchasing gas for 5 cents per thousand cubic feet, the Commission could say to them, "Because of your good operation and prudence, we will let you earn at 10 percent."

Until the Phillips case, this permitted effective control by the people really interested in the consumer and closest to the consumer. After the Phillips case, what happened? The Federal Power Commission, in effect, said that 11 cents per thousand cubic feet was a fair and reasonable price to pay at the source for the natural gas. The public utility commission was powerless to look behind this decision. It had to allow this 11 cents as a part of the cost of operation to the utility. It had to allow a rate increase based to some extent upon this increased cost of operation. It just so happens in the case of the local utility that they have the complete affiliate setup. Think what this would have made possible if carried to the ultimate. Had we not passed the Harris bill and thereby returned to the public service commission in our own States and the regulatory bodies in some instances in our own cities the right and authority to protect our best interest and the best interest of the consuming public, there might have been no end to cost of gas rate increases.

The Harris bill is a good bill for all of America. It is a triumph for free enterprise and the American system that has given us the best standard of living in the world. It is a triumph for States rights. It will redound to the benefit of the consumer.

Mr. Speaker, this is certainly in no way intended to be critical of those fine Members who, in good faith, voted against passage of the Harris bill. Those whose purpose was to mislead by misinformation did a methodical and masterful job.

The only one who will be disappointed when all the facts are on the table is the person who stands for Government control, for big centralized Federal Government, and for ultimate ownership of our natural resources by the Federal Government. This I believe in all sincerity.

A United States Congressman

EXTENSION OF REMARKS

OF

HON. EDNA F. KELLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mrs. KELLY of New York. Mr. Speaker, the August edition of the Catholic Digest, a well written and edited magazine of national circulation, features an excellent article on our distinguished colleague, TORBERT MACDONALD, of Massachusetts. I am proud to serve with him in the House of Representatives. I congratulate the gentleman and I commend the Catholic Digest for the presentation of a most enjoyable and interesting story. The photographs that accompany the article are quite unusual and they make a vivid contribution to the story.

In the short time that he has been a Member of the House, Mr. MACDONALD has proven his ability and his determination to follow in the footsteps of those great statesmen from the Commonwealth of Massachusetts who have left their mark of influence on American education, industry, religion, literature, law, and culture.

I include the story from the Catholic Digest:

A UNITED STATES CONGRESSMAN—MEET REPRESENTATIVE MACDONALD—HE HAS A JOB LIKE YOUR MAN'S JOB IN CONGRESS

SAM RAYBURN leaned toward the microphone on the Speaker's rostrum, and said: "If the Members will rise, I will now administer the oath of office."

In every part of the Hall, Representatives rose in waves from their seats. The steady buzz of conversation faded into silence. All but 7 of the 435 Representatives were on hand to take the oath of office. It was the opening day of the 84th Congress of the United States.

RAYBURN knew personally most of the men and women standing before him. There was the usual crop of new faces, too—56 of them, to be exact. In the fifth row on the Democrats' side of the aisle was one of the freshmen, TORBERT MACDONALD, of Massachusetts.

At noon that Wednesday, January 5, the clerk had called the roll; first, to see if a quorum was present; then a second time, to elect a Speaker of the House of Representatives.

You can find MACDONALD's first vote on page 8 of the CONGRESSIONAL RECORD. RAYBURN received 228 to JOE MARTIN's 198. In the list of those voting for Democrat RAYBURN, under M, you'll find "McCARTHY, McCORMACK, McDOWELL, McMILLAN, MACDONALD."

Just 8 days later, TORBERT MACDONALD was elected to the House Committee on Interstate and Foreign Commerce. Looking on from the gallery that afternoon were his pretty wife, former movie star Phyllis Brooks, his two eldest children, and his proud parents.

He was the first Democrat elected from Massachusetts' traditionally Republican Eighth Congressional District. The eighth takes in some wealthy Boston suburbs; but Democrat MACDONALD won last November's election. His margin: 9,000 votes.

Some 2 weeks after the session opened, his Democratic colleagues elected MACDONALD majority whip for the New England congressional delegation.

Many parents dissuade sons or daughters from entering politics. A Congressman is

not always regarded with respect. Yet, the successful politician who is elected to the House of Representatives has enormous power and responsibility.

The average Congressman represents 373,400 citizens. During the last 5 years he has had a vote in the spending of an average of \$58,600,000 a year. And he has a hand in making decisions which ultimately touch the lives of most of the earth's inhabitants.

If there is such a person as an average Congressman, he is somewhat past middle age, more often than not has already served a few years in Congress, and usually has had some political experience prior to his election. It is safe to generalize, then, that the average Congressman is no babe in the political forest.

Three-fourths of the legislators in the average session of Congress are college graduates; many are lawyers; more than half are veterans.

It isn't easy to obtain information about the national and racial backgrounds of Congressmen. Their religious backgrounds are better known. A survey of the 77th Congress revealed that some 71 percent of the Members were Protestants, 18 percent Catholics, and just over 1 percent Jews. MACDONALD is a Catholic.

Although the House of Representatives does not begin its sessions until noon, the average Representative is at his desk early in the morning. If he wants to keep his hand on the pulse of public opinion in his home State, he must examine his mail carefully. Most Congressmen answer every letter.

During the morning, visitors from back home drop in at the Representative's office; and other Congressmen may visit him to discuss legislation. As the session moves forward, each Member of Congress must participate in committee meetings. Many such meetings begin during the morning, and continue most of the day. This accounts for some absences from the floor of the House.

To assist him with his work, the Congressman has an office staff which usually includes one administrative assistant and several secretaries.

Like a majority of his congressional colleagues, TORBERT MACDONALD, of Massachusetts, is a lawyer. After graduating from Harvard law school in 1946, he served as legal assistant to Eric Johnston, then czar of the movie industry.

Then he became, successively, a New England trial attorney for the National Labor Relations Board; a legal adviser to the congressional labor committee for its European survey; and legal adviser to his old friend, Senator JOHN KENNEDY, in connection with a 1953 labor-and-manpower survey of defense in Western Europe.

When the Democrats were looking around for a candidate to oppose the Republican incumbent in the Eighth Congressional District, they asked MACDONALD if he would take the nomination. He accepted—and won, much to the surprise of even his own State Democratic committee.

As a teen-ager, MACDONALD learned leadership in athletics. His first try was a flop. He went out for high-school football in his hometown, Malden, Mass., but failed even to make the squad.

However, the next year he transferred to the nearby Medford High School and made the State's all-scholastic eleven. A natural athlete, he also became captain of the Medford track team and a star basketball player.

After his high-school graduation in 1934, MACDONALD attended Phillips Andover Academy, where he was put on the scholastic honor roll, and became captain of the baseball team as well.

For 4 straight years, he starred in baseball, football, and track at Harvard. In 1939 he ran on the Harvard-Yale track team that

toured Europe. The following year he was captain of the Harvard football squad.

When he was graduated in 1940, he turned down a Rhodes scholarship; instead, he signed, for a handsome bonus, as an outfielder with the New York Yankees.

"I traveled with the Yankees for that summer," he recalls. "But their regular outfielders then were Keller, DiMaggio, and Heinrich. You can see what chance I had of breaking into the line-up."

He entered Harvard Law school in the fall of 1940; and paid for his tuition with his summer baseball bonus and salary.

When the Yanks gave MACDONALD another bid in 1942 for spring training, he gave them a final no; he hasn't donned a glove since, except to toss a few balls around with his son, Torbert, Jr.

In January 1942, MACDONALD quit law school to enlist in the Navy. He served with Torpedo Squadron 12 in the South Pacific; received a leg wound, and won the Silver Star for gallantry in action.

Shortly after his discharge as a Navy lieutenant in 1945, he married Phyllis Brooks, whom he had met before the war while she appeared in a play in Boston. Although she was one of the better-known Hollywood stars at the time, she quit her career when she married.

"She's a really marvelous girl," says her admiring husband. "I had to go back to law school to get my degree. We had to live on practically nothing. But she never complained. A happy family life is more important to her than anything else."

The Macdonalds have purchased a home in Washington, D. C., where they live with their 3 children, Torbert, Jr., 9; Laurie, 7; and Brian, 2 years old.

Congressman MACDONALD's background is fairly typical of that of his colleagues in the House.

Let Us Not Be Taken In by Communist Smiles

EXTENSION OF REMARKS

OF

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mr. ZABLOCKI. Mr. Speaker, during recent weeks, our newspapers and other mediums of communication have been filled with accounts of the new friendly attitude of the Communist leaders.

Our people have seen numerous photographs of smiling Red dignitaries attending various parties, visiting western factories and farms, and sitting down at a conference table with our Chief Executive and with other leaders of the free world to discuss world problems. They have been reminded of the alleged friendship between the Soviet army chief and our President.

It seems to me that this publicity campaign has given many people the impression that world tensions are easing, that the Communists may be ready to negotiate peaceful solutions to various world problems, and that the era of peaceful coexistence may be just around the corner.

In my opinion, there is absolutely no justification for such optimism at the present time. We must face reality. We must realize that Communist policies have not changed, even though a few

Communist leaders have decided to smile at photographers. We must remember that the cold war is not over, but that it is still raging with intense fury in many parts of the globe.

Mr. Speaker, the Reds had consented to come to Geneva, to a highly-publicized but very uneventful conference. The Soviets came, advanced a few proposals, and listened to others suggested by the leaders of the free world. They did not negotiate any issues, and they made no concessions. On the contrary, it appears that the commies may have received some concessions from our side of the conference table.

The fact that we have agreed to negotiate with Red China is in one sense, a victory for the Soviet leaders who have persistently championed the cause of the recognition of the Mao Tse-tung government, and worked for the admission of Communist China to the United Nations. It further appears that we are getting ready to expand free world trade with the Communists, and perhaps send some of our exports to Soviet Russia to bail them out of their economic difficulties. These considerations may at least partially account for the smiles on the faces of Communist leaders.

If we look at the other side of the ledger, we will find no evidence of any change of heart on the part of the Communists.

In Europe, there has been no easing of the Soviet grip on the Communist-dominated nations behind the Iron Curtain. As a matter of fact, fresh Soviet troops are moving into East Germany and the people there have been told openly that German unification can only be accomplished at the price of German withdrawal from NATO.

In the Far East, the situation is even graver: the desire to terminate hostilities as promptly as possible, and to seek world peace, has resulted in concessions to the Reds in Korea, in Indochina, and in the Formosa Straits. These Communist gains are now being solidified and extended.

In northern Korea, Red military power is being amassed in direct violation of the truce terms.

In Indochina, truce terms are being repeatedly and continuously violated by the steady accumulation of Communist military strength in North Vietnam, and by the aggressive Red campaign in Laos.

In the Formosa Straits, the Chinese Communists continue to bombard the coastal islands held by Chiang Kai-shek, and are concentrating great fighting power within striking distance of Formosa.

In Indonesia, the Communists are fomenting internal strife and appear to be gaining strength.

In Malaya, the Communists have stepped up guerrilla warfare against British and have paralyzed Singapore with riots, strikes, and bloodshed.

Similar developments are taking place in other parts of the world, where the Communists are fomenting strikes and disorders, engaging in subversion, and endeavoring to take over local and national governments.

Do these actions resemble the behavior of peace-loving men?

Let us not delude ourselves, the Communists have not relented and they have not to date changed their policies. The cold war goes on, while the Soviet leaders are trying to charm us with their friendly smiles.

As another instance, I would like to recall last week's shooting down of an unarmed Israeli passenger plane, which strayed off its course and crossed the Iron Curtain. Fifty-eight persons, including 12 Americans, perished in that tragic disaster, caused willfully by trigger-happy Communist border guards in Bulgaria.

In the thought that it may prove of interest to my colleagues, I would like at this point to insert an editorial which appeared in the Milwaukee Journal of July 28, entitled "Red Smiles and Cold Murder":

RED SMILES AND COLD MURDER

The 58 victims who were shot down in flames in the Israeli airliner give the lie to the smile of friendship that world communism has turned to non-Communist nations.

Here is a new example of what Lloyd George used to call the "brutality of barbarians." Here is new proof, if any is needed, that the Communist world still lives by the law of bandits rather than by the law of the family of civilized nations. If any change is coming, it isn't here yet.

In a civilized nation a plane off its course is ignored, unless it is in need of help—in which case help is given. But the Bulgarian Communists, like headhunters lying in wait on a jungle trail, consider it fair game for murder.

This was no military plane. It was a passenger airliner. It was no plane of one of the Western nations that Communists say they fear. It was a plane of little Israel, a threat to no Communist nation. It was a plane largely passengered by persons seeking refuge in Israel—persons to whom the heart of the civilized world goes out in support of their desire for a land of their own.

Whether it was flying off a course well inside Bulgaria, as the Bulgarians claim, or just inside the border, as Greek observers claim, isn't important. That's no excuse for coldly shooting down a passenger plane to start with.

This is not the first victim of Communists treating planes like targets. The only thing different here is that Bulgaria admitted the shooting quickly, said it is "sorry" and will investigate. But in every other respect it is typical Communist barbarism—and that means a barbarism that has been promulgated from the Kremlin.

The wreckage of that Israeli plane and the charred bodies of its passengers speak more loudly to the world of Communist philosophy than any smiles and soft words, any cocktail parties, and assurances of friendly intentions by a Khrushchev or a Bulganin. For the world, it wipes the smile from the Kremlin face.

Until these brutal tactics end, and the U. S. S. R. and Soviet-controlled countries act like peaceful and civilized nations, no honeyed words mean anything.

Mr. Speaker, it is my sincere hope that world tensions will be truly relaxed, and that we may make some true progress toward the attainment of world peace. It is my earnest belief, however, that we cannot afford to consider those goals as being even partially attained until the Communists demonstrate, through concrete actions and policies, their readiness and willingness to act like peaceful and civilized nations.

Until that stage is reached, let us not be deceived by empty smiles or by clever doubletalk. The security of our Nation, of the entire Christian civilization, may well depend on our ability to look reality straight into the face, and to meet it unflinchingly. This is no time for day-dreaming, or for wishful thinking.

Judicial Review of Veterans' Claims

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mr. MULTER. Mr. Speaker, I wish to speak briefly of the United States war veteran and simple justice. The problems of our citizens who have given of their time and ability in the armed services are well known to all. The veteran has rightfully been allowed a variety of pensions, benefits, loans, and services under our laws that date back many years, including special enactments following both World Wars and the Korean conflict. The Congress has tried to provide young men and women who were called upon to protect the rest of us, a fair, if not always adequate substitute for all they gave up.

Nevertheless, we have somehow erred in proceeding toward this goal. The present laws under which veterans' benefits are administered give complete and decisive authority to the Administrator of Veterans' Affairs. Once a proceeding has been considered and decided by this office, the matter is settled—fully, finally, and without appeal. Is this the type of justice with which we should confront our veterans?

The Veterans' Administration had not made a record as a liberal Government agency. Yet, even if this were not so, commonsense and fairness would require a resort to a higher authority than the Board of Veterans' Appeals, an agency, wholly within and part of the Veterans' Administration. No man is infallible, and in the course of thousands of administrative proceedings a small number will inevitably be denied their just rewards. No matter how small the number, each statistic represents a man or a woman who has not been dealt with equitably by his Government. We should try to prevent such situations from arising and where they arise, they should be speedily remedied.

The remedy is encompassed in H. R. 2023, a bill which I introduced on January 11 of this year, and which was referred to the House Judiciary Committee.

The purpose of the bill is to confer upon the Court of Claims jurisdiction to render judgment upon any claim for a benefit or payment under any law administered by the Veterans' Administration, if such claim has been disallowed, in whole or in part, by a decision of the Administrator of Veterans' Affairs.

All the judicial safeguards of a civil proceeding will be assured. In addition, such a resort to the Court of Claims will act as a spur to greater care within the Veterans' Administration. It also will be of considerable psychological value to the veteran. He will then know that the Veterans' Administration is not the sole agency to hear his case. All this will make for more efficiency and more certain justice.

The Veterans' Administration has issued an advisory report to the Committee on the Judiciary disapproving H. R. 2023. The opposition falls neatly into three categories: First, That making all denied claims eligible for judicial review would impose an unbearable burden on the Court of Claims; second, that the administrative expense of defending the Veterans' Administration's position in court would be excessive; third, that past legislation of the Congress and court opinions based on that legislation are in opposition to the proposed bill.

These objections arise from and are based on an underlying policy feeling that looks upon veterans' benefits and compensation as gifts of the Government, given, so to speak, out of the goodness of its—the Veterans' Administration's—heart. This is precisely what H. R. 2023 seeks to change.

I do not feel that the Government is guilty of giving handouts when it authorizes compensation for service-connected disabilities, pensions for non-service-connected disabilities, vocational rehabilitation, education and training, subsistence allowance, readjustment allowance, guaranties or insurance of loans, out-patient medical treatment, artificial limbs, hospitalization, seeing-eye dogs, electronic and mechanical equipment for the blind, specially adapted housing for disabled veterans, reimbursement of burial expenses, and so on. On the contrary, these are not handouts given in exchange for nothing. They are payments only in part for what has been given up in its defense.

Whatever the present legislative policy in these matters, it is about time that we readjust our thinking in veterans' matters. These men and women should not be placed in the position of begging for compensation and benefits. The Government, as the agency of the people, is morally obligated to treat its veterans with the greatest possible care. All that H. R. 2023 attempts to do is to make this moral obligation a legal obligation as well.

Society, unfortunately, finds it difficult to enforce moral obligations, no matter how great they may be. We are lucky, however, to have an institutionalized procedure, in the form of our court system, to attempt to make justice keep pace with moral duty.

The strict legal argument that the United States Government is a sovereign and, therefore, may not be sued without its permission is a cold argumentative device that is persuasive only in the realm of political theory. It has nothing whatever to do with human affairs. Should we run our Government on the basis of past procedure and prevailing theory when individual sacrifices are being evaluated and compensated? Should

we look upon the veteran's obligation to defend his country as a privilege, and his right to be compensated for his losses as an act of kindness?

H. R. 2023 answers "No." To do otherwise is to impose a double standard. If a citizen is obligated to fight for his country, the country must certainly be considered obligated to compensate him for all his losses. Surely there is no lack of justice or logic in that. As for the arguments as to the judicial burden and the expense of litigation, the former involves time and the latter involves money. Neither should be excessive and neither is comparable to the other values involved—human dignity and simple justice.

I urge the Committee on the Judiciary to consider this bill and report it as quickly as possible.

The National Debt

EXTENSION OF REMARKS OF

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mr. SIKES. Mr. Speaker, this is heralded as the year of America's greatest prosperity. Unquestionably America does enjoy great prosperity. It is a time when Government income should reflect this optimistic picture with a resultant balanced budget and a reduction in the national debt. Actually we do find Government revenues up—but so are Government expenditures. While business prosperity generates more Federal income, United States spending happily absorbs the increased receipts. Instead of a reduction in the amount of the national debt, we find that it continues to mount. If we cannot now have fiscal responsibility and a balanced budget, when may it be expected? The outlook is not in any sense one to encourage confidence in the Nation's fiscal management.

The job of finding ways to reduce spending has gotten tougher just since last January. While reductions in the year just past were sharper than the President planned 18 months ago—in January 1954—they did not measure up to what Mr. Eisenhower predicted in January 1955.

Specifically, the President foresaw this outcome in his budget message just 7 months ago:

Income was to be \$59 billion.

Outgo was to be trimmed to \$63.5 billion from \$67.8 billion the year before.

The deficit was to be \$4.5 billion.

Now, with the year over, you can see how it came out:

Income was \$60.3 billion.

Outgo was \$64.5 billion.

The deficit turned out to be \$4.2 billion.

Income, in other words, was up \$1.3 billion from the January estimate. An end to the business recession—a vigorous upturn—did that for the administration.

Yet spending was up almost as much, a billion dollars, from the January expectations.

Actually, the \$64.5 billion of spending represents not an upturn in spending, but a failure to slash outlays as sharply as expected.

Despite this record, the fact is that spending cuts were substantially smaller than the President predicted in his January 1955 budget message.

The failure to reduce spending is raising questions as to whether the administration will balance the budget even during its fourth year in office.

A Session-End Review of Klein Mission Report

EXTENSION OF REMARKS

OF

HON. THOMAS J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mr. DODD. Mr. Speaker, two events—one recently passed and one to occur shortly—move me to these remarks today. The event recently passed is the summit meeting of the national leaders of the United States, Great Britain, France, and the Soviet Union in Geneva, a meeting much in the minds and prayers of the peoples of the world who share a common desire to live in peace. The event in the immediate offing is the adjournment of the Congress which, as has been the custom in recent years, will be followed by visits of many of our colleagues abroad on study missions and other congressional business.

Late last year Gen. Julius Klein, of Chicago, served as a consultant to the Committee on Appropriations and to the Subcommittee of the Armed Forces Committee on Appropriations of the United States Senate. In that capacity, and without pay or reimbursement for his expenses, General Klein made a survey of the general political situation in most of the West European countries and prepared a detailed report on his findings, accompanied by a series of excellent and worthwhile recommendations.

His report, which received wide acclaim in the Nation's press, was published early this January.

A few months ago, five Members of the other body from both parties—Senators BRIDGES, HUMPHREY, KEFAUVER, SYMINGTON, and WILEY¹—discussed the Klein Report and its recommendations at great length. In addition to praising the selfless work of General Klein and the service he rendered his country, they remarked on the technical proficiency of the report and those of its recommendations which have already been put into effect.

Now, it is too early to attempt an evaluation of the results of the summit conference in Geneva. Many reports were colored, some of them were influenced by the wishful thinking of cor-

¹ Gen. Julius Klein's European Mission—A Job Well Done—CONGRESSIONAL RECORD of March 30, April 1, 1955, pp. 4037-4043, 4212.

respondents who reflected the peoples' yearning for peace and security, while others mirrored the pessimism of those who have seen too many international conferences produce no more than an avalanche of words and victories only on the propaganda battlefield.

I hold, Mr. Speaker, that we can perform our duties only as effectively as our information is accurate and reliable. It behooves us, therefore, as many of us travel abroad, to widen our knowledge to the best of our ability. And may I suggest to my honorable colleagues that in their quest for this type of knowledge the report on General Klein's European mission is an excellent guide. His statements are well documented with facts backed up by several decades of firsthand knowledge in international affairs, military matters, and politics.

Perhaps the best yardstick of the value of this report lies in the batting average as it applies to how many of the Klein recommendations have been put into effect. While some of these recommendations may well have been realized in any event, nevertheless, the value of such a study as the Klein Report can be evaluated from its success—and the use to which it still must be put.

I am a Democrat; General Klein is a Republican. While we do not share the same political affiliation and disagree on some issues, I find myself in the same position as Senators HUMPHREY, KEFAUVER, and SYMINGTON in recognizing the merit and value of General Klein's work.

With the imminent conclusion of this 1st session of the 84th Congress, I believe it would be well to review here the ultimate disposition of the recommendations of General Klein, which were first published as we gathered here for the convening of this Congress.

Recommendation 1:

That Congress maintain in Europe a professional staff of modest size * * * to study and observe the administrative aspects of American programs in Europe and report to appropriate congressional committees at times when pertinent legislation is being considered.

Development: Widespread favorable comment in newspapers and official circles. Members of Congress on survey trips, made more aware of the handicaps involved in obtaining a maximum of information during brief visits, are considered likely to revive consideration of this recommendation

Recommendation 2:

That an official on the cabinet level be designated * * * to achieve a more effective and economical alignment of our diplomatic and administrative agencies overseas.

Development: President Eisenhower has designated the Honorable Joseph W. Dodge as the top-level official to coordinate American policy overseas.

Recommendations 3:

(a) That we redefine, especially for governments of foreign countries, the functions and responsibilities of our ambassadors, re-investing these officials with the authority they should properly exercise. * * * (b) That we broaden the jurisdiction of our ambassadors and provide them with the necessary staffs to permit them to assume actual authority for cultural, economic, informational activities now being carried on in

countries where they are stationed by other agencies.

Development: Following his Latin-American tour, Vice President NIXON concurred in this recommendation. The dissolution of the Foreign Operations Administration, with assumption of its functions by a newly-created agency within the Department of State, its concrete progress in the direction of this recommendation.

Recommendation 4:

To increase our diplomatic effectiveness abroad and to develop an adequate reservoir of skilled personnel for our Foreign Services requires that * * * (a) consideration be given to a reevaluation of existing salary levels * * * (b) in such fields as economic and cultural relations, efforts be made to borrow skilled specialists from American industry * * * (c) * * * existing Federal laws be reexamined with a view toward amendment that will permit the Nation to avail itself of skilled specialists on short-term tours of duty * * * (d) consideration be given to providing compensation adequate to attract trained specialists * * * (e) a training program be instituted, utilizing the skills and experience of existing Federal agencies and private institutions.

Development: A letter from Mr. I. S. Carpenter, Jr., Assistant Secretary of State, advises that the Foreign Service is being revitalized, salary levels raised, and other of General Klein's recommendations are in the process of being implemented.

Recommendation 5:

(a) That offshore purchasing be centered in a single operating agency, the General Services Administration * * * ; (b) that the experienced judgment and skills of the General Services Administration be brought into play to assume many of the purchasing and procurement responsibilities now being borne by individual agencies; (c) that consideration be given to insure that the joint committee made up of GSA, military, and economic agency representatives meets agency needs efficiently and economically * * * ; (d) that, while GSA participation in the case of military purchasing can relieve the armed services of heavy burdens * * * control of the development of specifications and inspection of finished products * * * must necessarily remain with military services; (e) that recommendations contained in congressional reports, such as the Bridges-Symington report, be followed to their conclusion.

Development: Findings of the Hoover Commission and congressional committees during this session of the Congress confirm the wisdom of this recommendation; further action is anticipated.

Recommendation 6:

That we intensify our efforts to shift to native media the main burden of Europe's defense against the ideological onslaughts of communism; (b) that those of our information activities aimed at countries behind the Iron Curtain concentrate on special appeals to induce defections from Communist regimes by scientists, technicians, engineers, and skilled personnel generally; (c) that exploratory talks be held with our friends in the free world to develop an allied information program * * * (d) that * * * efforts be made to staff all overseas information posts with persons who have practical rather than academic experience * * * and that * * * overseas personnel be rotated to the United States periodically; (e) that our existing program be carefully appraised to determine whether it is adequately serving the political objectives on which it is based.

Development: A letter from United States Information Agency Director Theodore Streibert indicates that these recommendations are being followed.

Recommendation 7:

(a) That American economic policy be more clearly defined to avoid misinterpretations which are being exploited by the Communists, especially in their efforts to lure trade to the East; (b) that American technical aid in retailing and distributive methods be intensified with the objective of increasing the vast untapped consumer markets within the European nations themselves.

Development: Legislation creating the International Development Corporation; money grants reduced in preference to technical aid; Government technical assistance supplemented by private agencies (for example, Pan American World Airways assistance to Pakistan airline and TWA and Pan American assistance to Lufthansa, the German airline).

Recommendation 8:

(a) Intensification of the interchange-of-persons program at all levels; (b) encouragement of European tourist and business travel to the United States through cooperation with the established American travel industry; (c) reexamination of existing law with a view toward facilitating and, with all safeguards of our interests, expanding the opportunities for foreign travel to the United States * * * ; (d) an evaluation of our present exchange student and foreign visitors program to ascertain whether we are receiving the fullest possible benefits from it.

Development: Congressional interest manifested by legislation, committee action, and floor speeches. Attention and commendation in important periodicals insure continuing pressure for accomplishment.

Recommendation 9:

That increased attention be paid to political opposition parties in Europe while adequate relations are maintained with government party leadership.

Development: Reports indicate that this recommendation is being followed.

Recommendation 10:

That appropriate congressional committees consult with a selected number of experienced American radio and press correspondents abroad.

Development: It was stressed that such conferences be unofficial for the protection of the correspondents themselves, and there is thus no official record of such consultations. Members of Congress have, however, individually expressed approval of this recommendation.

Recommendation 11:

(a) Establish and maintain unchallengeable supremacy in airpower * * * (b) Ground Forces * * * in adequate numbers to cope with any conceivable emergency * * * (c) * * * both qualitative and quantitative superiority for our Naval Establishment (d) * * * present commitments of United States Ground Forces to Europe be reevaluated, as European military manpower contributions grow * * * , to determine the feasibility of reducing the present United States Ground Force Establishment on the Continent, leaving major emphasis of the United States contribution to air and naval forces; (e) that we continue to maintain a portion of our Ground Forces in Europe * * * as a deterrent symbol to Communist aggression.

Development: This recommendation being generally followed.

Recommendation 12:

(a) * * * maintain our country's lead in the development of trained scientific and technological personnel, (b) that a high-level conference of military authorities and educators be called for the purpose of devising a program * * * to initiate the training of scientific and technological manpower required for future security needs, (c) that such a program be sufficiently flexible to allow for the productive integration of those selected for training in the Nation's peacetime industrial facilities.

Development: General Klein submitted additional testimony on this recommendation to Senate Committee on Labor and Public Welfare. Congressional committee and White House Conference on Education pursuing this recommendation.

Recommendation 13:

Anti-Communist exiles and refugees * * * ; (a) that a careful survey be made to determine how best to assist these heroic enemies of communism in maintaining a cohesive, efficient adjunct of the free world's total defense effort against Communist aggression; (b) that they be encouraged to retain their national identification; (c) that such facilities and assistance as are warranted by their capabilities for aiding the defense of the free world be extended.

Development: Officials and private individuals concerned with this question have expressed approval and indicated their desire to see the recommendation implemented.

Recommendation 14:

(a) That an advisory group—

Similar to the Air Coordinating Committee—

be created in the field of maritime transportation; (b) that a study be made of the feasibility of coordinating the activities of the proposed Maritime Coordinating Committee with those of the Air Coordinating Committee, to avoid duplication, the objective in view to be the preventing of overlapping, duplication, and wasteful competition in the two transportation fields.

Development: Some discussion along this line, but no concrete action as yet.

Recommendation 15:

General MacArthur's views be invited by both our highest policymaking authorities and appropriate congressional committees.

Development: Widespread editorial and congressional support evinced but no specific consultations of the order suggested.

Recommendation 16:

(a) That United States policy in the Middle East be directed toward integrating this area in the total structure of Western European defense; (b) that United States aid to states in the Middle East be predicated on the readiness of recipient countries to join in the free world's defense system; (c) * * * every effort should be exerted to discourage the revival of armed hostilities between the State of Israel and the Arab nations; (d) that in no case should we extend aid to any country in the area unless a recipient state effectively guarantees that United States aid will not be used for aggressive purposes.

Development: Approval expressed in responsible quarters, but no indication that the State Department has altered its policies.

Recommendation 17:

That increased attention be given to furthering the hemispheric solidarity between the United States and her Latin American neighbors.

Development: Vice President Nixon's recent tour was an active expression of the suggested policy and increasing attention is being brought to bear upon the quest for closer relations with our Latin neighbors.

Recommendation 18:

That a careful study be made to determine how best to utilize the facilities of the Intergovernmental Committee for European Migration and * * * strengthening the ICEM personnel structure and screening procedures.

Development: Avoidable frictions arose in administrative circles because of failure to heed the spirit of this recommendation. The attention now centered on the problem presages action.

Recommendation 19:

That United States policy to continue to aim at strengthening the United Nations.

Development: Commanding sentiment favors.

Recommendation 20:

(a) That United States aid to France * * * be geared to the current needs of United States policy objectives * * * (b) that we continue to maintain our military installations in France and advance such aid as may be required by the military necessity.

Development: This policy being firmly followed with the further extension of a strong position with respect to South Vietnam.

Recommendation 21:

(a) That the people of the Saar be given the opportunity * * * to determine the future political status of their territory; (b) that the people of the Saar also be given the opportunity to express themselves politically through parties of their choice; (c) that a representative of the people of the Saar participate fully in any and all international discussions affecting the status of this area.

Developments: It must be reported regretfully that the temperate course recommended is being ignored and the mistakes made in the past with regard to the Saar are being repeated.

Recommendation 22:

(a) That trade, rather than aid, form the cornerstone of our policy toward Germany * * * (b) * * * Congress expedite the legislation for the return of property to German citizens now held by the Alien Property Custodian * * * (c) that we continue to manifest our support for German unification through free all-German elections; * * * (d) we take the lead in proposing the Federal Republic for membership in the United Nations * * * (e) * * * that adequate safeguard be maintained to assure that German militarism will never again become a threat to peace or an instrument of aggression.

Development: Following the recent conferences here in Washington between American and German officials, the State Department has recommended the return of property up to \$10,000 in value. Legislation for full return is presently pending in both Houses of Congress; hearings have already been held by House Foreign Affairs Committee. Other points of recommendations have received strong support or form present policy.

Recommendation 23:

That military authorities of the Federal Republic of Germany be invited to send selected officers and officer candidates of the Federal German Army for training.

Development: Though the embryonic stage of the German Army has provided no opportunity for implementation of this recommendation, the suggestion was well received by affected authorities and efforts toward implementation can be predicted.

Recommendation 24:

That consideration be given to including Spain in our offshore procurement program, particularly with a view toward increasing the western community's capabilities for arms production.

Development: This course being adopted as United States policy.

Passing events have borne out General Klein's keen evaluation of NATO. The Nation can indeed be grateful that it has as the guardians of our security on our European flank General Greunther and his associates.

I could go on to discuss other aspects of the Klein Report but I am certain that my colleagues will continue to often refer to this survey. I do hope that the executive departments, as recommended in the debate this spring in the other body, will carry forth the recommendations of General Klein wherever they will aid the peace and prosperity of our Nation.

The Klein Report has indeed been a contribution to American political policy. It is hoped that Gen. Julius Klein will continue to be called upon for his services in this manner.

Louisiana State Vets Honor Al Labiche

EXTENSION OF REMARKS

OF

HON. F. EDWARD HEBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1955

Mr. HÉBERT. Mr. Speaker, today I want to make the House acquainted with an old friend of mine and a combat veteran who has just been elected State commander of the American Legion in Louisiana, Albert Labiche, of New Orleans.

Here is the typical American story. Al Labiche was the father of two children when he went off to the war. He was a happy-go-lucky sort of a guy when he went away. When he came back he was a seasoned soldier who had been through the roughest and the toughest of the campaigns around the Bulge.

In typical American fashion, however, he picked up his life in the busy industrial world which he had left and became a renewed force in his community. His endeavors and his talents were given to all civic movements and he served his city as foreman of the grand jury at a time when service was not what could be called very desirable because of local political conditions. But Al Labiche did his job and did it well.

Now he has been honored by being named the State commander of the American Legion for Louisiana, an honor and a tribute which justifies my grasping this opportunity to introduce him to the entire membership of this body.

I saw Albert Labiche in Paris less than a fortnight after Germany had surrendered. Specifically it was a Sunday (May 20, 1945) morning at the Hotel Rafel. This is what I wrote in my account of Europe immediately following the end of the war under the title of "I Went, I Saw, I Heard":

Albert Labiche came by and we had breakfast. He is going to have plenty to relate when he goes back to New Orleans.

When the war can make a tough, hard-boiled soldier out of a guy like Albert Labiche it can accomplish anything and there is little wonder that victory has come to us.

Carefree, gay, laughing—almost irresponsible, I have never known anybody Albert Labiche didn't like. Today I saw a hardened tough soldier who had 7 weeks in the frontlines at Aachen.

An American father of 2 children, drafted into the army when past the age of 30 and now a veteran of frontline action. That's the kind of stuff Americans are made of and the kind of stuff which wins wars for America, make no mistake about it.

That was written 10 years ago almost to the day, give a few days. That was 1945.

Now this is what the New Orleans Item wrote about Albert Labiche in an editorial only a few short days ago after he had been elected State commander of the American Legion. This is 1955: STATE VETS HONOR AL LABICHE, A NATURAL AS LEGION CHIEF

Albert V. Labiche is a natural for State commander of the American Legion, and the veterans who chose him at the convention in Alexandria on Sunday are to be commended.

A father of 2 daughters, now 21 and 19, Al went into World War II service as a buck private. He came out in 1945 as a staff sergeant with three battle stars, the combat infantry badge, and a purple heart (for shrapnel that ripped through his hand).

He fought in France, Belgium, and Holland, where he was wounded, as a doughboy in an armored division. Al was there.

On being mustered out, he became active in the Legion, helping organize the Arthur Scott Post and serving on various State and National committees.

But his service to his community has extended to many other fields. He was a first-rate foreman of the Orleans Parish grand jury 2 years ago, in the very midst of the police uproar.

(In addition to its investigative work, the jury made two noteworthy recommendations: that police pay be raised and that a system be set up to provide overlapping service on grand juries so as to avoid the traditional break in continuity.)

Vice president of the store which bears the family name, Al Labiche is prominent in the community's business life.

He is a past president of the Radio and Television Association, a director of an insurance company and of a bank.

The kids of New Orleans know Al, too, for his ardent support of sandlot sports. This interest goes back to the days when Al, himself, was a star prep school fullback; a plucky one, too, who could run 106 yards for a touchdown—with a broken collarbone.

A believer in teamwork, a fine citizen, and a leader, Al Labiche will give the State Legion high-caliber service as its new commander.