NOMINATIONS

Executive nominations received by the Senate January 30 (legislative day of January 16), 1956:

COURT OF MILITARY APPEALS

Homer Ferguson, of Michigan, to be a judge of the Court of Military Appeals for the remainder of the term expiring May 1, 1956, vice Paul W. Brosman, deceased.

Homer Ferguson, of Michigan, to be a judge of the Court of Military Appeals for the term of 15 years expiring May 1, 1971.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 30 (legislative day of January 16), 1956:

FEDERAL RESERVE SYSTEM

William McChesney Martin, Jr., of New York, to be a member of the Board of Governors of the Federal Reserve System, for a term of 14 years from February 1, 1956.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Herold Christian Hunt, of Massachusetts, to be Under Secretary of Health, Education, and Welfare.

THE TAX COURT OF THE UNITED STATES

John Edward Mulroney, of Iowa, to be a judge of the Tax Court of the United States for the unexpired term of 12 years from June 2, 1944.

TREASURY DEPARTMENT

S. Power Warren, of Colorado, to be assayer of the mint of the United States at Denver, Colo.

COLLECTORS OF CUSTOMS

Frederick C. Peters, of Pennsylvania, to be collector of customs for customs collection district No. 11, with headquarters at Philadelphia, Pa.

Wilbert H. Beachy, of Pennsylvania, to be collector of customs for customs collection district No. 12, with headquarters at Pittsburgh, Pa.

HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 30, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal and ever-blessed God, daily Thou art challenging us with the noble task of seeking and striving for the spiritual unity of all mankind.

Show us how we may put forth a more heroic effort in behalf of building a social order of friendship and fraternity.

May the welfare and happiness of every member of the human family be our deep personal concern and may we be partners in establishing good will among men.

Grant that we may be inspired to give ourselves unreservedly to the glorious enterprise of world peace.

Hear us in Christ's name. Amen.

The Journal of the proceedings of Thursday, January 26, 1956, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7871) entitled "An act to amend the Small Business Act of 1953."

DISTRICT OF COLUMBIA TRANSPORTATION SERVICE

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, a few days ago the Board of Commissioners of the District of Columbia sent a letter to you transmitting a draft of a bill which they had prepared, providing for the creation of a transit authority that next August would succeed to all of the franchise rights presently exercised in the District of Columbia by the Capital Transit Co.

Under the rules, Mr. Speaker, you referred it to the House Committee on Interstate and Foreign Commerce for consideration. Accordingly, as chairman of the Subcommittee on Transportation and Communications of the Interstate and Foreign Commerce Committee, I am today introducing the bill as requested by the District Commissioners.

Mr. Speaker, we are all aware of the importance of this problem and of the complications involved. The Congress had this difficult problem in the last session as a result of an unsettled strike which deprived the citizens of the District of transportation so vital to the continued conduct of their affairs.

The Congress thought it had resolved the problem when it passed legislation giving certain authority to the Commissioners which the Commissioners had requested. Under the legislation the Commissioners succeeded in restoring transit operations, but they have been unsuccessful in their negotiations for a successor to Capital Transit Co. Thus, the major issue of assured continued transit facilities for the people of the District is still unsettled.

The Commissioners' authority to resolve the problem, under the legislation passed during the last session, expires this coming August 14, without any program as yet having been worked out providing for continued transportation. Therefore, we have received this proposal.

Our committee has a heavy schedule of legislative matters before it, a schedule set up for some time. Notwithstanding this heavy schedule, the committee immediately will seek to obtain the reports from the various governmental agencies concerned as to their views and suggestions on this bill. Usually, it requires some time to obtain reports which are a necessary prerequisite in the consideration of any bill. However, as soon as these reports are received from the departments and agencies, our committee will endeavor to work out a schedule of hearings on the bill with the view of expediting consideration of this pressing problem.

In order that the principal provisions of the bill may be appreciated, I am including herewith for the RECORD a copy of the letter of January 25, 1956, to you from Mr. Samuel Spencer, President, Board of Commissioners, outlining the nature of the legislation they have proposed:

GOVERNMENT OF THE
DISTRICT OF COLUMBIA,
EXECUTIVE OFFICES,
Washington, D. C., January 25, 1955.

Hon. SAM RAYBURN,
The Speaker of the House of Representatives,
Washington, D. C.

DEAR SPEAKER RAYBURN: In my letter of December 30, 1955, to Congressman JOHN L. MCMILLAN, chairman of the Committee on the District of Columbia of the House of Representatives, reporting on the developments which had taken place in the matter of furnishing mass transportation in the District of Columbia since the enactment of Public Law 389, 84th Congress, approved August 14, 1955, I informed him that the District Commissioners were preparing legislation for the creation of a transit authority in the Washington metropolitan area to provide mass transportation service beginning on August 15, 1956. I have the honor to transmit herewith a draft of the recommended legislation.

The enclosed draft of legislation has been prepared by the District Commissioners in collaboration with the Public Utilities Commission, and with the assistance of Messrs. Portland Merrill and Walter Cleave of Blyth & Co., bankers, and Mr. John Mitchell, attorney, of the firm of Caldwell, Marshall, Trimble & Mitchell, of New York City.

The proposed legislation would create a Transit Authority which would succeed on August 15, 1956, to all of the franchise rights presently exercised by the Capital Transit Co. in the District of Columbia and which would be authorized to extend its service within the metropolitan area by agreement with the jurisdictions concerned outside the District of Columbia. The Authority is given the exclusive right to provide mass transportation service in the District of Columbia, except for franchise rights of passenger carriers (other than Capital Transit Co.), existing on the date of the enactment of this act. The act provides further that the Interstate Commerce Commission shall not authorize additional interstate service within the Washington metropolitan area when such service is in competition with the service rendered by the Authority, without the approval of the Authority. It also provides that the Authority shall not operate its interstate service in competition with existing services of other systems.

The powers of the Authority would be vested in a board of 5 directors appointed for 5-year terms so staggered as to provide for the appointment of 1 new director each year beginning in 1958. The compensation of the directors is limited to $3,600 in any 1 year of service; except in the first year following the date of organization of the Authority, when an amount of $5,000 would be allowed. The Commissioners consider this to be a nominal compensation for citizens of the stature for such an authority, and feel that the primary incentive to service on the board of directors must be a sense of public interest and duty.

The Authority is granted broad powers to create and manage an effective transportation system in accordance with sound business practices. It is exempted from laws and regulations which are designed for normal governmental functions but are too restrictive for an operation of this kind. In carrying out its duties the Authority would be granted the power of eminent domain in the District of Columbia under the conditions set forth in the act.

The Authority would be financed through its own revenue bonds or other instruments of its own credit and would not be empowered to pledge the credit of the United States or of the District of Columbia. The proposed legislation sets forth in detail the power of the Authority to issue its own credit instruments. Because of the imperative requirement for the Authority to act promptly in acquiring the necessary properties to meet its service obligations on August 15, 1956, and the impracticability of floating a private bond issue while the cost of these acquisitions are yet unsettled, the act provides for a loan of not exceeding $20 million with interest from the United States Treasury to the District of Columbia, which would be advanced by the District to the Authority to provide for the initial operations. It is contemplated that the initial operations would be financed through the use of this government loan and that this loan would be paid off from the proceeds of private financing as soon as the initial uncertainties as to the obligations and prospective earnings of the Authority could be clarified.

The Authority would be self-regulating in the establishment of schedules, routings, and changes therein and conditions of service, and in setting fares or other fees for service.

The Board is directed to establish a suitable organization and to make its own provisions with certain limitations for the terms of employment and compensation of officers and employees.

The Authority is not clothed with Government immunity but is subject to suit, with the provision that notice of injury or damage to persons or property must be given to the Board within 6 months after the alleged occurrence if the suit is to be maintained.

The Authority is given the power to issue regulations governing the use of its properties and to set limited penalties for enforcement thereof. It is authorized to initiate investigations into matters relating to its activities.

Because of the urgency of preparatory work to enable the Authority to meet its operating obligations to begin on August 15, 1956, this act would authorize the Board of Commissioners of the District of Columbia to exercise the powers of the Board of Directors of the Authority until such time as the Board of Directors of the Authority could be organized to assume these responsibilities.

The Commissioners of the District of Columbia and the Public Utilities Commission join in recommending the prompt enactment of the enclosed legislation to create a Washington Metropolitan Transit Authority to operate mass transit in the District of Columbia after August 14, 1956.

Section 27 of the enclosed bill which has to do with interim financing of the Authority by a Federal loan has been submitted to the Bureau of the Budget and the Commissioners have been informed that the Bureau has no objection to that section as presently drafted.

Sincerely yours,

SAMUEL SPENCER,
President, Board of Commissioners, District of Columbia.

THE LATE PRESIDENT FRANKLIN DELANO ROOSEVELT

The SPEAKER. The Chair recognizes the gentleman from California [Mr. DOYLE].

Mr. DOYLE. Mr. Speaker, it will be my purpose to take but a few minutes of the hour's time allotted to observe the 74th birthday of Franklin Delano Roosevelt and then I will gladly yield to as many Members of the House as desire to speak on this same subject.

Seventy-four years ago today Franklin Delano Roosevelt was born at Hyde Park, N. Y. Although 11 years have passed since he departed life from the American scene, the memory of his greatness is fresh in our minds. Much has been written about the life of the 32d President of the United States, but I regard it as a singular honor to pay tribute to his greatness on the anniversary of his birth. It was my high privilege, and it will always remain a great inspiration to me to know that I served as a Member of the 79th Congress while he occupied the highest office within the gift and trust and confidence of the American people as President of these United States.

With each passing year, we become more and more conscious of the world's debt to Franklin Delano Roosevelt. He has been enshrined among the great men of all time—a world leader with vision, courage, and the ability to wield his power as President of this land for the good of all mankind. He worked mightily for the things he loved. He loved people.

History will undoubtedly remember Roosevelt as a great war leader, as a reformer, and as an architect of international policy. But we cannot forget his profound understanding of the strategic needs of every man, woman, and child in this Nation. On his success as a leader of his party, hinged his opportunity as a statesman. He was not only a Democrat, but he was a politician of unusual adroitness. He possessed a high degree of political skill. He used this magnificent skill to the ultimate end that all people might have life in its broadcast sense and have it more abundantly.

After winning a resounding victory at the polls in 1932, Mr. Roosevelt entered the White House in the darkest hour of the depression, and found it necessary to close the doors of every bank in the United States. Then he set about the initial tasks of recovery and reconstruction. The greatest business country in the world was being set on its feet. As a first move toward that tremendous undertaking the people had to be awakened. They were prepared by their President for a new concept of government and for the shaping of a national community. He demonstrated his unbounded belief in America—in its resources and in its future.

Actually, Mr. Roosevelt was sailing over an uncharted sea. But if the course he took proved to be wrong, he was ready for change. Time and again the Congress was shaken by his convictions—but the Nation moved ahead.

Roosevelt had been President for more than 6 years when the German armies marched into Poland. He had foreseen that war in Europe must confront the United States with enormous complications. In October 1937, 12 months before the crisis of appeasement, he sounded a first alarm. An emphatic speech delivered in Chicago called for the quarantining of all aggressors. People were absorbed in domestic affairs—they had not begun to think about their position in a world which was becoming dangerous.

It was not surprising this state of mind continued until the invasion of France and the Netherlands brought the realization of total war. Roosevelt knew that our globe is one world, and from the beginning he was prepared for the full implications of the truth.

A war Government in the United States is a stupendous structure, but the mind of Franklin D. Roosevelt ranged over the entire field of war production and management.

He chose his military leaders well and supported them with unswerving loyalty. Never in our history have our armies and fleets been so ably commanded from the very outset of war. President Roosevelt would have been the last to wish that anyone should assert that he was the author of our victories; but he made them possible through his wise choice of leaders, by his clear understanding of the basic principles of strategy and by his ability to mobilize behind the fighting forces the full resources of the American Nation.

It has been said that it was one of fate's most tragic ironies that Franklin D. Roosevelt was cast in the role of the supreme leader of the most powerful Nation the world had ever known, engaged in the most tremendous war in history. For he was a man who loved peace, who sought for his countrymen and his fellowmen of other nations peace, prosperity, brotherhood, and freedom.

The steps he took in building power for war were constantly accompanied by the clearest insistence upon the purpose of the war as the protection and fulfillment of the principles of democracy.

That insistence was the essence of the Four Freedoms attached to the lend-lease proposal of 1941. The same essential freedoms were fixed in the fighting purposes of Britain and America in the Atlantic Charter in 1941. In 1944 he advanced from freedoms to rights in the economic bill of rights which he embodied in his January message to Congress on the state of the Union. He repeated that bill of rights in his speech at Soldier Field, Chicago, October 28, 1944. It is worth remembering now:

> The right of a useful and remunerative job in the industries or shops or farms or mines of the Nation;
>
> The right to earn enough to provide adequate food and clothing and recreation;
>
> The right of every farmer to raise and sell his products at a return which will give him and his family a decent living;
>
> The right of every businessman, large and small, to trade in an atmosphere of freedom from unfair competition and domination by monopolies at home or abroad;
>
> The right of every famly to a decent home;
>
> The right to adequate medical care and the opportunity to achieve and enjoy good health;
>
> The right to adequate protection from the economic fears of old age, sickness, accident, and unemployment;
>
> The right to a good education.

Franklin Delano Roosevelt is gone. But the task of facing the facts and preserving the legacy he gave the world is ours.

On this anniversary of his birth, may we look to his formulas which have inspired Americans to face realities for themselves and to shoulder their responsibilities fearlessly.

In 1956 Members of the Congress of the United States and all Americans would do well to linger on the wisdom of the words President Roosevelt spoke in 1945:

The creed of our democracy is that liberty is acquired and kept by men and women who are strong and self-reliant, and possessed of such a wisdom as God gives to mankind—men and women who are just and understanding and generous to others—men and women who are capable of disciplining themselves—for they are the rulers and they must rule themselves.

In his message to Congress January 7, 1943, he said:

It would be inconceivable—it would, indeed, be sacrilegious—if this Nation and the world did not attain some real, lasting good out of all these efforts and sufferings and bloodshed and death. The men in our Armed Forces want a lasting peace and, equally, they want permanent employment for themselves, their families and their neighbors when they are mustered out at the end of the war.

We fight to retain a great past—and we fight to gain a greater future. Today the United Nations are the mightiest coalition in history. They can and must remain united for the maintenance of the peace by preventing any attempt to rearm in Germany, in Japan, in Italy, or in any other nation that seeks to violate the 10th Commandment—"Thou shalt not covet."

In his speech accepting the Presidential nomination on July 11, 1944, he said:

To win this war wholeheartedly, unequivocally and as quickly as we can is our task of the first importance. To win this war in such a way that there be no further world wars in the foreseeable future is our second objective. To provide occupations, and to provide a decent standard of living for our men in the Armed Forces after the war, and for all Americans, are the final objectives.

And, in his last address to Congress, March 1, 1945, he said:

For the second time in the lives of most of us, this generation is face to face with the objective of preventing wars. To meet that objective, the nations of the world will either have a plan or they will not. The groundwork of a plan has now been furnished, and has been submitted to humanity for discussion and decision.

No plan is perfect. Whatever is adopted at San Francisco will doubtless have to be amended time and again over the years, just as our own Constitution has been.

I am confident that the Congress and the American people will accept the results of this conference as the beginning of a permanent structure of peace upon which we can begin to build, under God, that better world in which our children and grandchildren, yours and mine, the children and grandchildren of the whole world must live and can live.

In his fourth inaugural address on January 20, 1945, he said:

We have learned that we cannot live alone, at peace; that our own well-being is dependent upon the well-being of other nations, far away.

We have learned that we must live as men, and not as ostriches, nor as dogs in the manger.

We have learned to be citizens of the world, members of the human community.

We have learned the simple truth, as Emerson said that "the only way to have a friend is to be one."

We can gain no lasting peace if we approach it with suspicion and mistrust—or with fear.

We can gain it only if we proceed with the understanding and the confidence and the courage which flow from conviction.

In his message to Congress, January 1, 1939, he said:

The world has grown so small and weapons of attack so swift that no nation can be safe in its will to peace so long as any other powerful nation refuses to settle its grievances at the council table.

There comes a time in the affairs of men when they must prepare to defend, not their homes alone, but the tenets of faith and humanity on which their churches, their governments, and their very civilization are founded. The defense of religion, of democracy, and good faith among nations is all the same fight. To save one we must now make up our minds to save all.

In his address to the Democratic National Convention, July 9, 1940, he said:

We face one of the great choices of history.

It is not alone a choice of government by the people versus dictatorship.

It is not alone a choice of freedom versus slavery.

It is not alone a choice between moving forward and falling back.

It is all of these rolled into one.

It is the continuance of civilization as we know it versus the ultimate destruction of all that we have held dear—religion against godlessness; the ideal of justice against the practice of force; moral decency versus the firing squad; courage to speak out, and to act, versus the false lullaby of appeasement.

In Washington, D. C., October 24, 1934, he said:

I need not tell you that true wealth is not a static thing. It is a living thing made out of the disposition of men to create and to distribute the good things of life with rising standard of living. Wealth grows when men cooperate; but it stagnates in an atmosphere of misunderstanding and misrepresentation.

Here, in America, the material means are at hand for the growth of true wealth. It is in the spirit of American institutions that wealth should come as the reward of hard labor—hard labor, I repeat—of mind and hand. That is a pretty good definition of what we call the profit system. Its real fulfillment comes in the general recognition of the rights of each factor of the community.

It is not in the spirit of partisans, but it is in the spirit of partners, that America has progressed.

In our midst this day as a distinguished Member of this House from my native State of California sits JAMES ROOSEVELT, a distinguished son of the great American whose birthday we commemorate today. And because he is with us as a Member I relate an incident about him while his father, Franklin Delano Roosevelt, was President and while the Roosevelt family lived at the White House, as stated by Clark Kinnaird in his book, The Real F. D. R., and as published by the Citadel Press in 1945 at page 17 thereof the editor wrote:

In 1940, when demands rose within the party for him to run for a third term, JAMES ROOSEVELT was on the White House staff and was called in when the President asked his advisors to confer with him and submit reasons why he should run. When the conference was over, Jimmy said: "Are you trying to kill my father? No man can live through three terms in that job."

"Jimmy," said a conferee, "he's your father, but he belongs to the world."

There is other evidence that members of the family did not expect or want F. D. R. to submit to more than 8 years of the Presidency.

In his message to Congress January 4, 1935, he said:

The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little.

In his address at Dallas, Tex., June 12, 1936, he said:

The net result of monopoly, the net result of economic and financial control in the hands of the few, has meant ownership of labor as a commodity.

If labor is to be a commodity in the United States, in the final analysis it means we shall become a nation of boardinghouses instead of a nation of homes.

If our people ever submit to that, they will have said goodbye to their historic freedom. Men do not fight for boardinghouses. They will fight for their homes.

In his second inaugural address, January 20, 1937, he said:

Here is the challenge to our democracy: In this Nation I see tens of millions of its citizens—a substantial part of its whole population—who at this very moment are denied the greater part of what the very lowest standards of today call the necessities of life.

I see millions of families trying to live on incomes so meager that the pall of family disaster hangs over them day by day.

I see millions whose daily lives in city and on farm continue under conditions labeled indecent by a so-called polite society half a century ago.

I see millions denied education, recreation, and the opportunity to better their lot and the lot of their children. I see millions lacking the means to buy the products of farm and factory and by their poverty denying work and productiveness to many other millions.

I see one-third of a nation ill-housed, ill-clad, ill-nourished.

In his speech at Chicago, October 28, 1944, he said:

I believe in free enterprise—and always have. I believe in the profit system—and always have. I believe that private enterprise can give full employment to our people. If anyone feels that my faith in our ability to provide 60 million peacetime jobs is fantastic, let him remember that some people thought the same thing about my demand in 1940 for 50,000 airplanes. I believe in exceptional rewards for innovation, skill, and risk-taking by business.

In his address at Roanoke Island, August 18, 1937, he said:

My anchor is democracy—and more democracy. And, my friends, I am of the firm belief that the Nation, by an overwhelming majority supports my opposition to the vesting of supreme power in the hands of any class, numerous but select.

I seek no change in the form of American Government. Majority rule must be preserved as the safeguard of both liberty and civilization.

Under it property can be secured; under it abuses can end; under it order can be maintained—and all this for the simple, cogent reason that to the average of our citizenship can be brought a life of greater opportunity, of greater security, of greater happiness.

In his message to Congress, January 6, 1941, he said:

There is nothing mysterious about the foundations of a healthy and strong democracy. The basic things expected by our people of their political and economic systems are simple. They are:

Equality of opportunity for youth and for others.

Jobs for those who can work.

Security for those who need it.

The ending of special privilege for the few.

The preservation of civil liberties for all.

The enjoyment of the fruits of scientific progress in a wider and constantly rising standard of living.

And, in his address to Democratic Party workers October 5, 1944, he said:

The right to vote must be open to our citizens irrespective of race, color, or creed, without tax or artificial restriction of any kind. The sooner we get to that basis of political equality, the better it will be for the country as a whole.

The written record from all peoples and all nations of the world spoke eloquently in eulogies of this great American. But, perhaps the eulogy most frequently thought of as perhaps the greatest was by his great friend, Winston Churchill on April 17, 1945, in the House of Commons when Mr. Churchill was Prime Minister. At that time on the floor of the House of Commons Prime Minister Churchill said of him:

He was the greatest American friend we have ever known, and the greatest champion of freedom who has ever brought help and comfort from the new world to the old. I conceived an admiration for him as a statesman, a man of affairs, and as a war leader. I felt the utmost confidence in his upright, inspiring character and outlook, and a personal regard and affection beyond my power to express today. It is a loss, indeed a bitter loss, to humanity that these heartbeats are stilled forever.

Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. EVINS. Mr. Speaker, although we are aware of the fact that Franklin Delano Roosevelt was one of the greatest Presidents this Nation has had—and one who stands revered throughout the free world—it is most interesting to note that in a recent impartial survey of the public and the press the three greatest Presidents were listed as Washington, Lincoln, and Franklin D. Roosevelt.

In the listing of our greatest Presidents the name of Franklin D. Roosevelt is invariably included. His place in our history as one of our greatest Presidents is clearly and unmistakably established.

From the tragic days of the depression, when farms were being foreclosed on every hand and businesses closing their doors, through victory in time of the greatest threat our Nation has known—in World War II—and into a period of stability and prosperity—the name of Franklin D. Roosevelt stands out. He lead our Nation in her most trying days and years into a brighter day of hope and well-being. He lifted the hopes not only of our Nation, but of the world and his place in history was never more deserved or earned.

Mr. BLATNIK. Mr. Speaker, I would like to join the other Members of the House of Representatives in paying tribute to the memory of a great and unforgotten American — Franklin Delano Roosevelt. It is fitting that on this anniversary of his birthday we should pay our respects to the man who, probably more than anyone else in our history, epitomized the strength and greatness of the American Nation. It was his own personal courage and vision which gave direction to a floundering ship of state in the dark days of the depression and which stood as a tower of strength during the war years.

Seldom has there been a man who knew and understood so well the common man and the role of the Federal Government in providing for his general welfare. It was Franklin Roosevelt's philosophy of government and politics which enabled the New Deal to help the American people pull themselves up from the mire of a depression. It was a philosophy which did not abhor government, but which saw in it a force for good rather than a mere necessary evil. It was this philosophy, coupled with unflinching courage in carrying out his program, that puts us in Franklin Roosevelt's debt forever. No one has put it better than one of his former political opponents, former Gov. Alf Landon, who said:

I think his greatest accomplishment was giving leadership to the awakening of the Amercan people to a new sense of civic consciousness in dealing with the social and economic problems of an expanding, complex industrial society.

Not everyone agreed with Franklin Roosevelt's philosophy. Like every great man in history he was as well known for his enemies as for his friends. But in four unprecedented elections a hundred million of the latter outnumbered the former many fold. All the flowing words and phrases we can put forth today will never measure up to this tribute paid this man by the American people while he lived. They saw in him a leader embodying their hopes and dreams of a better life and a brighter tomorrow. The American people understood the man who wrote the day he died:

The only limit to our realization of tomorrow will be our doubts of today. Let us move forward with strong and active faith.

Neither the man who wrote them nor the works will ever be forgotten. There in a sentence is the greatness of Franklin Roosevelt; and in this Nation, as well. We would all do well to remember his last words and apply them to our considerations of the great domestic and foreign problems facing us today. Franklin Roosevelt's life is not a mere memory to be honored once a year. It is a guidepost lighting our way to a better and fuller life for all mankind.

Mr. CELLER. Mr. Speaker, on the birthday of Franklin Delano Roosevelt it would be well for all of us, regardless of political affiliation, to pause at this moment in our history and reflect upon the significant contributions he made; how he served his country in the dread times of depression and during the tragedy of the World War; how he gave courage to the people; and how, through that leadership, he saved the very structure of this country's democracy.

Today the country goes forward in the heritage bequeathed to us by his administration. Much of what was called heresy in his lifetime has now become unmistakably part of the American way of life. The bulk of the legislation enacted during his administration has remained on our books, regardless of the party in power.

He was loved throughout the world, and I recall, as do all of you, the grief, the personal grief, that shook the country and the friends of our country at his passing.

He preserved our traditions because he understood tradition, understood what is flexible and courageous, and that very flexibility and that very courage are the underlying principles which led us from the status of colonies to the stature of world leadership. And these are the qualities that bid us not to stand still, not to be fearful, but to move forward in keeping with the urgency of our needs.

Our country is stronger today because that solid foundation was reinforced by the vision and imagination and courage of Franklin Delano Roosevelt. No country's strength is built overnight. The testimony which demands we give honor to Franklin Delano Roosevelt is before us, the testimony of the fearful years when hunger and chaos threatened to engulf us and the testimony of the magnificent unity and power of the country in the conduct of war.

There is a memorial to Franklin Delano Roosevelt in the confidence with which this country can face the future. There is a memorial to Franklin Delano Roosevelt each time we recognize that there is nothing to "fear but fear itself."

Mr. RHODES of Pennsylvania. Mr. Speaker, I join my colleagues in paying tribute to our late beloved President, Franklin D. Roosevelt on this, the 74th anniversary of his birth.

It is difficult to measure in historical terms the extent of the great contribution which Franklin Roosevelt made to the welfare of the American people. We remember well his clear voice, reassuring us in the depths of depression and despair, urging all Americans to remain calm and steadfast in the belief that our shattered economy could be rebuilt from the ruin to which it had fallen in those days of crisis.

Under the leadership of Franklin Roosevelt, great social and economic reforms were established. Millions of Americans returned to their jobs. Our economy was rejuvenated. Emergency relief and public-works projects were set up. Social security and unemployment-compensation programs were enacted into law. Labor was given the right to organize and bargain collectively. A farm program was established. Securities and exchange practices were brought under public regulation. A reciprocal-trade program and fair-labor standards legislation was enacted, along with many other milestones in his program to alleviate the effects of the depression. Franklin Roosevelt's dynamic New Deal program paved the way for a brighter and more secure future for all Americans.

As war clouds gathered in the world and dictators began their oppression of free peoples in other nations, Franklin Roosevelt took the necessary steps to prepare our Nation in the defense of our cherished way of life. His understanding and devotion to the needs and desires of our people during the depression was equaled by his courageous leadership of our country in time of war and international crisis. The combined strain of depression and war finally exacted its toll and Franklin Roosevelt succumbed prematurely on the eve of our triumphant victory over the forces of totalitarian aggression.

On this occasion we can best commemorate his birthday by rededicating ourselves to continue the fight for his timeless humanitarian goals of world peace and by renewing our efforts to achieve the objectives of full employment and economic abundance for the average American citizen whom Franklin Roosevelt loved and whose interests he so vigorously championed.

Mr. O'HARA of Illinois. Mr. Speaker, I join with my colleagues in tribute to one of the great men of history, a man whose courage and example will be remembered throughout the centuries. When Franklin Delano Roosevelt took the helm we were sailing in troubled waters which threatened us with shipwreck. He steered us into the calm sunlit waters of a new day.

Tonight throughout the Nation people will be gathering to pay tribute to his statesmanship as well as to that smiling indomitable courage which lifted him in his own life above physical handicap.

In life we followed him when he guided us from the darkness of the wilderness of despair into the sunlight of a new day. His spirit remains to inspire us to conquer new world dangers and to guide us through a maze of perplexities as we go on and on and on in the task of broadening the horizons for all mankind.

Mr. DOYLE. Mr. Speaker, I yield to the distinguished majority leader, the gentleman from Massachusetts [Mr. McCormack].

Mr. McCORMACK. Mr. Speaker, as we study and view history, we find that there are two lines of outstanding personages recorded therein. One line of persons who have made great constructive contributions to the progress of mankind and whom I term the "constructive figures" in history, and the other line, those who are "destructive figures." The list is not so large either way, but it is a list that those of us who have studied history are aware exists. Those who have contributed, as history records to the progress of mankind, are the constructive figures, those who during their lifetimes gave leadership of progress of mankind and not of the destruction of mankind. And, among the great constructive figures of history is the immortal Franklin D. Roosevelt. Franklin D. Roosevelt's memory and spirit will always live. It will always live in the heart and mind of the average person, whether of our country or of any other country, because he symbolized those great things that epitomized the ideals of the average person. In my opinion, Franklin D. Roosevelt was one of the foremost constructive figures of the world's history and always will be. As the other day we paused to pay tribute to another one of our former late Presidents, William McKinley, so is it well that we pause today to pay tribute to not only one of our greatest Presidents but one of the greatest figures of all time in the known history of man, Franklin D. Roosevelt.

It was my pleasure to work shoulder to shoulder with him during the years that he was President of the United States. I did so because I believed in his philosophy.

His love of the average person was noticeable. I think the finest tribute that was paid him upon his death appeared in a newspaper, by some person unnamed, who said:

> He must have been a great man because, when I heard of his death, the tears came to my eyes.

So we pay tribute today to Franklin D. Roosevelt, the man. We pay tribute to his memory as Franklin D. Roosevelt, the President. Greater than that, we pay tribute to the memory of Franklin D. Roosevelt who will always be remembered in history as one of the greatest constructive figures of all time.

Mr. DOYLE. Mr. Speaker, I yield to the gentleman from Tennessee.

Mr. COOPER. Mr. Speaker, I deem it quite a distinguished honor to join with my colleagues in paying brief but very sincere tribute to the life, character, and public service of Hon. Franklin D. Roosevelt. It was my privilege to cherish a very warm friendship with him and to work very closely with him throughout his administrations. I believe it can be truly said that his heart beat in tune with the interest and the welfare of the masses of our people and that he enjoyed a degree of confidence, respect, and genuine affection of our people and the people throughout the world unsurpassed in the annals of history.

It is my conviction that when the historian comes to record the history of his administrations, and especially the historic 100 days at the beginning of his administration, there will be found more material out of which to fashion the history of this country than in any similar period in all time.

It was my privilege to attend many conferences with him and to observe the great courage and the matchless leadership that he exhibited on all occasions. I believe it can be truly said that he stood out in bold relief as one of the greatest statesmen of all time.

It is, indeed, fitting and proper that we should pause on this occasion, the anniversary of his birth, and pay brief and sincere tribute to his memory.

It was my privilege to be a member of the funeral committee that traveled with his remains to his last resting place in Hyde Park, one of the most beautiful places that I ever saw for the interment of a human being. One of the most impressive things to me was that on that long, all-night trip, at every crossroads, every village, every hamlet, every town, and every city, as that funeral train passed through, there were vast throngs of people standing there, openly weeping, as the remains of their friend passed by.

So it is fitting and proper that we should pay this brief tribute on this occasion.

Mr. DOYLE. Mr. Speaker, I yield to the gentleman from Georgia.

Mr. PRESTON. Mr. Speaker, 74 years ago there was born to a wealthy New York family a son. This lusty infant, born into the lap of luxury and reared in an atmosphere of abundance that is known to few of us, became in due course the foremost champion of the common man that this century has produced. Indeed, few men have been produced by any century who equal Franklin Delano Roosevelt, whose birthday we celebrate today.

I mention his wealthy heritage because it is rare that any individual who has been so far removed from want and need himself dedicates his life to improving the lot of the common man. We have all seen and heard scores of men who profess their deep concern for the rank and file, but none of us have seen any man accomplish for the poor, the oppressed, and the downtrodden what Franklin D. Roosevelt achieved.

How well do I remember the desperate plight of our Nation when his inspired hand took over the reins of our Government in 1933. How deeply is engraved on my mind the sight of the farmers and business people of my small Georgia town, who, in too many instances were unable to buy for their families the food they needed and the clothes they required to maintain a meager existence.

As a young lawyer, I was shocked at the seeming callousness of the foreclosures, the evictions, the dispossession of the people in my rural community. Verily, even hope was almost gone when on the steps of this same Capitol, this scion of great wealth took his solemn oath as President of this desperate Nation.

Of course, the Reconstruction Finance Corporation, the Federal Home Loan Bank Board, and other devices had been instituted in an effort to relieve the crisis that was shaking this Nation to its foundations. These institutions had been bailing out the great railroads, the banking empires, and other huge corporations, but the farmers, the homeowners, the small-business people, the investing public were without any semblance of shelter from the storm of adversity that crushed them to earth.

In a comparatively brief time, under the leadership of Franklin D. Roosevelt hope replaced fear and panic. Homes were saved, farms were restored. The farmers' income began to rise. People who for months had had no paycheck were given work.

The panic was gone. This Government's great energy was devoted to marshaling the country's vast resources to heal the scars of the great depression that had threatened its very existence.

But neither my words, nor anyone's words, even though they be graven on stone will serve properly to honor this great American.

His works are his own most enduring memorial. Over this land stretch more than 4 million miles of REA power lines bringing blessed light and current to almost 20 million rural Americans. Without the inspired leadership of Franklin Roosevelt whose courage and vision inaugurated this vast movement to electrify rural America, our millions of countrymen would have been deprived of this blessing for added generations.

Today millions of Americans are enjoying a secure old age, reaping the benefits of the social-security system that was instituted by Franklin D. Roosevelt over the determined opposition of entrenched interests. These social-security benefits, made possible in large measure by the investment of the workers themselves of portions of their wages, dispel the specter of want that for so long haunted the great body of American workers.

Another segment of the population, the investing public is no longer subject to the marauding tactics of willful greed and avarice which fleeced so many thousands for so many years of their hard-earned savings. The Securities and Exchange Commission is another innovation of Franklin Roosevelt's administration. The bill creating this body was authored and sponsored by our distinguished Speaker, SAM RAYBURN. This significant law protects the investors from the conscienceless manipulations of a greedy few.

Let me mention just one more enduring stone in the lasting monument of achievement of Franklin D. Roosevelt. Today millions of Americans know their bank deposits are safe because the Federal Deposit Insurance Corporation guarantees the safety of these institutions. How swiftly did Franklin Roosevelt restore to this Nation its confidence in its banks which had been so badly shaken by the thousands of bank failures of the early thirties. The foundation stone of this serene confidence is the Federal agency which owes its being to Franklin Roosevelt's leadership.

We all know that during his lifetime and since his death malicious detractors have sought to blacken Franklin Roosevelt's name and memory. We also know that while this vitriol has stained the pages of many publications it has not in any lasting fashion scarred the monument of his achievement, nor for one passing moment clouded the clear image of his greatness engraved in the hearts of millions of grateful Americans.

Napoleon is reputed to have said:

> The memory of my 40 victories in battle will be forgotten, but my code Napoleon will live for 40 centuries.

Franklin Roosevelt, indeed, guided our imperiled Nation successfully through the most devastating war the world has ever known, a feat that history will most surely remember.

But it is my conviction that Franklin Roosevelt's most enduring memorial will always be found in the hearts of his grateful countrymen. A memory ever green, nurtured forever by the fruits of his splendid accomplishment in behalf of our so long forgotten man.

Mr. DOYLE. Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Speaker, today is a memorable date. On this day, 74 years ago, Franklin Delano Roosevelt was born. Our country has been blessed with some great Presidents. Especially in our moments of crisis, providence has provided us with great men to guide us. There are true giants among our Presidents: Washington, who led our armies to victory and then accepted the unanimous call to the Presidency until the new Constitution was firmly established; Jefferson, the philosopher of democracy; and Jackson, who led the common people in their struggle. The emergence of a Lincoln during our greatest crisis, when the fabric of our national existence was almost rent in twain, encourages us to see a special destiny in our national life.

The man whose anniversary we honor today has taken his place securely among those great men in our history. He was inaugurated in the midst of the greatest peacetime crisis of our history, and he led us back into prosperity; he was President when the Nation was attacked by the greatest alliance of evil that had ever sought to enslave the world, and he became the architect of our victory. He died over 10 years ago, but the passage of time and the growth of historical perspective have not diminished his stature. No, the eulogies spoken when he died need no revision now; the passage of the years has only added to our certainty that 74 years ago today was born the greatest man of the 20th century.

Mr. Speaker, what shall I say of this man who guided the destinies of this Nation for a longer time than anyone in its history? Franklin Roosevelt gave us unprecedented executive leadership in peacetime and yet those years were unparalleled in legislative accomplishment. The years of Roosevelt's peacetime administrations witnessed the greatest transformation of the Nation's fortunes from ruin back to prosperity. On that March day, 23 years ago, when he was inaugurated, the country was paralyzed in the grip of a depression such as it had never experienced before. Twelve million were unemployed, farmers were ruined and daily being evicted from their land, business was at a standstill, banks were failing with dreadful regularity, the soup kitchens, the apple sellers, starvation, human misery on a scale so vast one can only shudder to remember it.

The Nation was on the brink of despair. The crisis was desperate and who can envisage the calamities that might have overtaken us if constructive measures to alleviate the Nation's plight had not been taken?

On inauguration day a new spirit came to America. The people had elected a fighter—a man not to be dismayed by disaster but rather to be encouraged and emboldened by it. As he had mastered the paralysis that had attacked him, through his own great courage and vigor, so now he summoned the Nation to do battle with the scourge with which it was afflicted. From his own spirit, he infused courage into the whole Nation.

Who can forget the new thrill of hope that coursed through the Nation when they heard the new President's words? Here was a man who would act—a man who would exhaust all his energies to alleviate the people's suffering. Those first 100 days showed the mettle and the spirit of the man. Much was done in haste but those days showed the philosophy of the man; Government was not going to stand by while the wealth of the Nation was dissipated. Business was to be revived, the farmer aided, labor be put back to work and given the opportunity to earn a fair wage. From that day on, there has no longer been a "forgotten man" in American society.

Those hundred days began a new era in American history. Since that time, President and Congress have accepted the responsibility for ensuring that the conditions for a sound economy exist. There were no antibusiness measures—far from it. The great achievement of the period was to create an economy in which free private enterprise could flourish. The permanent achievements of the Roosevelt administrations come from the legislation of a later period but they were the culmination of the spirit of 1933—of the spirit that tried to create a vigorous economy in which all would get their due reward.

The Roosevelt program of reform and recovery made immeasurable and permanent contributions to the American way of life. Who would turn back the clock to the days before social security? Who would deny to labor the just rights of collective bargaining? Who wishes to deprive the farmer of his fair share of the national income? Under Roosevelt's leadership an economy on the brink of ruin was converted into one in which free enterprise flourishes as in no other country in the world. We have our different party affiliations and differ amongst ourselves, as I hope we always will, yet there is much in that record that all of us regardless of party welcome as a blessing to all Americans.

Mr. Speaker, Franklin D. Roosevelt was a great leader but even more, he was a great democratic leader. In an age when economic chaos resulted in the subversion of democratic liberties in so many countries, he led us out of the chaos while strengthening our liberties. Reconstruction and reform did not come by executive fiat but by the constitutional process of legislation. The President proposed and persuaded, he could not command. He proposed measures the Congress did not like—and they were not passed. The triumph of Roosevelt's leadership was that it was based on toleration and consent, that it rested on persuasion and reason.

Those powers of persuasion I need not recall to you, Mr. Speaker, or to any of my colleagues here. Who can forget when he used to come into our living rooms in his fireside chats and tell us the situation and then convince us of our ability to master it. "We have nothing to fear but fear itself," is not an isolated text from one of his speeches—it is the message that he gave to America. He taught us all the confidence that democratic government can master the dangers that attack it from within and without.

I have already said that Roosevelt was a great fighter. His first great victory was a personal one. With indomitable courage, he fought and conquered the dread disease that attacked him after he had already spent 10 years in the public service. After that he fought the public's battles. The same courage that supported him then, now became a constant inspiration to all others. During the days of the New Deal, he fought the great fight against poverty and destitution, but in the last years of his life, he led the Nation in an even greater struggle.

Roosevelt was a great peacetime President; he was an even greater wartime President. The President was a soldier in that fight as surely as the private in the ranks, and he was killed in that fight just as surely as so many other brave men.

The ordeal of preparation for the war was immense but the burden of decision was even greater. Our President is the Commander in Chief and he must bear the final responsibility for those agonizing decisions that launch the great campaigns—and send so many to their death. Roosevelt never shrank from the decision but the toll of suffering that it caused to a man of his warm humanity is unimaginable.

He led us to the dawn of victory but he was not spared to see the day of peace. He was a fighter to the end and only death itself could call him from the struggle.

Mr. Speaker, my words can never adequately express the debt that this Nation owes to Franklin Delano Roosevelt nor is it possible for me to depict in full the regard which this country felt for him. But on this, the anniversary of his birth, it is fitting that we remember him and try to express our gratitude that in its days of crisis, in war and in peace, America had such a man to lead it. Franklin Roosevelt came of patrician stock but he loved the common people even as they loved him. Throughout his long years of public service, through three full terms as President and for part of a fourth, he fought with all his great courage and strength for right and decency. The years have cooled the heat of partisan passion that used to envelop his name and now all of us can rejoice in the good fortune that gave to America a Franklin Delano Roosevelt.

AMENDING THE SMALL BUSINESS ACT OF 1953

Mr. SPENCE. Mr. Speaker, I call up the conference report on the bill (H. R. 7871) to amend the Small Business Act of 1953, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1685)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7871) to amend the Small Business Act of 1953, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That subsection (b) of section 204 of the Small Business Act of 1953, as amended, is hereby amended to read as follows:

"'(b) The Administration is authorized to obtain money from the Treasury of the United States for use in the performance of the powers and duties granted to or imposed upon it by law, not to exceed a total of $375,000,000 outstanding at any one time. For this purpose appropriations not to exceed $375,000,000 are hereby authorized to be made to a revolving fund in the Treasury. Advances shall be made to the Administration from the revolving fund when requested by the Administration. This revolving fund shall be used for the purposes enumerated subsequently in section 207 (a), (b) (1), (b) (2), and (b) (3). Not to exceed an aggregate of $150,000,000 shall be outstanding at any one time for the purposes enumerated in section 207 (a). Not to exceed an aggregate of $125,000,000 shall be outstanding at any one time for the purposes enumerated in section 207 (b) (1). Not to exceed an aggregate of $100,000,000 shall be outstanding at any one time for the purposes enumerated in section 207 (b) (2) and (b) (3). The Administration shall pay into miscellaneous receipts of the Treasury at the close of each fiscal year, interest on the net amount of the cash disbursements from such advances at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding interest-bearing marketable public debt obligations of the United States of comparable maturities.'

"SEC. 2. The proviso in paragraph (1) of subsection (b) of section 207 of the Small Business Act of 1953, as amended, is hereby amended to read as follows: '*Provided*, That no such loan including renewals and extensions thereof may be made for a period or periods exceeding twenty years: *And provided further*, That the interest rate on the Administration's share of loans made under this paragraph shall not exceed 3 per centum per annum;'

"SEC. 3. (a) Subsection (b) of section 207 of the Small Business Act of 1953, as amended, is hereby further amended (1) by striking the word 'and' which follows the semicolon at the end of the paragraph (3); (2) by striking the period at the end of paragraph (4) and inserting in lieu thereof '; and'; and (3) by adding at the end of such subsection a new paragraph as follows:

"'(5) to further extend the maturity of or renew any loan made pursuant to this section, beyond the periods stated therein, or any loan transferred to the Administration pursuant to Reorganization Plan Numbered 2 of 1954, for additional periods not to exceed ten years, if such extension or renewal will aid in the orderly liquidation of such loan.'

"(b) Subsection (f) of section 207 of such Act is hereby repealed."

And the Senate agree to the same.

That the Senate recede from its amendment to the title of the bill.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
ALBERT RAINS,
JESSE P. WOLCOTT,
RALPH GAMBLE,
HENRY O. TALLE,
Managers on the Part of the House.

WAYNE MORSE,
A. WILLIS ROBERTSON,
JOHN SPARKMAN,
HERBERT LEHMAN
By WAYNE MORSE,
IRVING IVES
By WAYNE MORSE,
J. GLENN BEALL,
FREDERICK PAYNE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7871) to amend the Small Business Act of 1953 submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute amendment. The conferees have agreed to a substitute for both the House bill and the Senate amendment. Except for clarifying and clerical changes, the following statement explains the differences between the House bill and the substitute agreed to in conference:

INCREASED AUTHORIZATION FOR DISASTER LOANS

The Small Business Act now authorizes the Small Business Administration to make business loans up to $150,000,000 outstanding at any one time and disaster loans up to $25,000,000 outstanding at any one time. The House bill continued the existing separate limitations for business loans and disaster loans and raised the authorization for disaster loans to $125,000,000. The Senate amendment merged the two loan authorizations and raised the combined limit for business and disaster loans by $35,000,000. The Senate recedes and the conference agreement follows the provisions of the House bill. Because of the many differences between the disaster-loan program and the regular small-business-loan program, the conferees agreed to continue the separate authorizations, and thus emphasize that the regular small-business program should be vigorously pursued, independently of the needs for disaster loans.

MAXIMUM MATURITY FOR DISASTER LOANS

Under the Small Business Act the maximum maturity is fixed at 10 years for all disaster loans except for certain types of home loans which may have maturities up to 20 years. The Senate amendment authorized the Small Business Administrator to make disaster loans of all types up to terms of 20 years. The House bill contained no corresponding provision. The House recedes and the conference substitute follows the language of the Senate amendment in this respect. The committee of conference does not expect that all disaster loans will be made with a term of 20 years. However, the committee believes that in many cases a term longer than 10 years might be desirable for disaster business loans as well as home loans and in such cases a 20-year maximum term should be available under the statute.

INTEREST RATES ON DISASTER LOANS

The Senate amendment contained a provision clarifying the Small Business Act as to interest rates on the Federal share of disaster loans under the Act. The amendment makes no change in the existing practice of SBA as to interest rates on this Federal share. It fixes the maximum interest rate at 3 percent on SBA direct disaster loans and on SBA's share of disaster loans made in participation with private lenders, including deferred participation loans. For example, on a deferred participation loan of $1,000, SBA might agree to assume $500 of the loan if requested to do so by the lender. The maximum interest rate on this $500 portion would be 3 percent. The House bill contained no corresponding provision. The House recedes, and the conference substitute includes this provision of the Senate amendment. The committee of conference, in applying the 3 percent maximum interest rate only to SBA's portion of disaster loans, does so with the understanding that private lenders will be permitted to participate in such loans at interest rates in excess of 3 percent only in those unusual cases where such participation will be advantageous to the borrower.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
ALBERT RAINS,
JESSE P. WOLCOTT,
RALPH GAMBLE,
HENRY O. TALLE,
Managers on the Part of the House.

Mr. TALLE. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Iowa.

Mr. TALLE. Is it not true that this is a unanimous report?

Mr. SPENCE. Yes.

Mr. TALLE. It was a most amicable conference. Will the chairman of the Banking and Currency Committee summarize the proceedings?

Mr. SPENCE. It is a unanimous report. It is substantially the bill that was messaged to the Senate. The House of Representatives separated the authority of the Small Business Administration to make loans to small business and to make disaster loans. The Senate bill merged them. In conference the conferees on the part of the Senate agreed to the House provision.

The House bill increased the authority to make disaster loans from $25 million to $125 million. The Senate increased the authority by $35 million. The Senate receded on that point and agreed to the House version.

The Senate amendment made it definite and certain that the interest rate should not be more than 3 percent on the Government share of the loan. The managers on the part of the House agreed.

The present law provides that the ordinary disaster loans shall be for not more than 10 years, but that on home loans the maturity may be increased to 20 years. The Senate bill provided that all types of disaster loans may have a maturity not greater than 20 years. The House accepted that. Substantially, I may say, the House bill is the bill which was messaged to the Senate with these few exceptions. The House passed it unanimously; and I assume the House will pass the report unanimously today.

Mr. TALLE. Mr. Speaker, the minority merely desires to state that the gentleman from Kentucky [Mr. SPENCE] has given a true summary of what occurred at the conference last Friday afternoon. I may add that all of the House conferees were eager to preserve the principle of separation of the two kinds of loans, and under the provisions of the conference report they will be independent. That principle was approved in the House bill, and it was sustained by a unanimous vote of the conferees.

Mr. SPENCE. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. ROGERS of Texas. Mr. Speaker, I ask unanimous consent that the chairman of the Committee on Interstate and Foreign Commerce, the gentleman from Tennessee [Mr. PRIEST], be given until midnight to file a report on the bill (H. R. 8704) for the extension of the Poliomyelitis Vaccination Assistance Act of 1955, together with the additional views of the gentleman from Massachusetts [Mr. HESELTON] thereon.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ARMS FOR ISRAEL

Mr. MULTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, I am putting in the Appendix of the daily RECORD today the text of a statement on arms for Israel issued by Mrs. Franklin D. Roosevelt on her own behalf and on behalf of President Harry S. Truman, and on behalf of Walter P. Reuther, vice president of the American Federation of Labor and Congress of Industrial Organizations. I commend it to the attention of our colleagues and suggest that if they concur in these sentiments to make it known to our President and our Secretary of State who will be meeting today, and probably the rest of the week, with the Prime of Minister of Great Britain. He is the same gentleman who in 1932, 1934, 1935, 1936, and 1938 helped make British foreign policy, which contributed more than any other single factor to bringing on World War II. Whatever he suggests now must be most carefully examined lest it carry us over the brink and into world war III.

SITUATION IN THE MIDDLE EAST

Mr. RODINO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. RODINO. Mr. Speaker, we can do much to insure the peace of the world by bringing about a solution to the explosive problem confronting us in the Middle East. We must be realistic—we must be firm for the threat to peace in the Middle East is not an isolated one—instead it spreads out as a threat to world peace. The pouring of Communist arms into this area is but another means of infiltration to spread communism—to enlist supporters who will carry out Moscow's orders—a diabolical Communist maneuver to upset the precarious balance of power in this area. The United States must restate and implement its basic principles in such a way that there can be no uncertainty as to where it stands.

The State of Israel has committed itself to the practice and defense of democracy. It has demonstrated as an historical fact that a people inspired with a belief can with human skill and perseverance make grow from the desert a nation that stands as a stronghold of democracy. The United States, which was the first Government to give Israel recognition, has long declared its firm friendship for Israel. Now we must recognize the State of Israel is fighting for survival—that this is a threat to the peace of the world.

There are two steps we should take: First, assist with defensive arms to Israel so that her people may not be exposed to imminent annihilation; second, offer formal security treaties to each of the nations in that area. A security pact with each of the Arab States would assure them that there will be no aggressive war waged by the State of Israel. Similarly, a security pact with Israel would assure her against attack from any of her neighbors. In this way, these nations committed to preserving the peace may peacefully build their economies—and the peace of the world will be strengthened.

TARIFFS AND TRADE TREATIES

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, I have asked for this time for the purpose of informing my colleagues that later during the session today I have a special order for 40 minutes. I am taking a few minutes of that time to insert in the RECORD the detail of what constitutes the General Agreement on Tariffs and Trade Treaties in Geneva; also the new set-up known as the Office of Trade Cooperation that will be placed before us at this session of Congress. I acquired this information at considerable cost to myself, and I would appreciate it if every Member of the Congress would read this, because I think he should know just exactly what is comprised in these two groups. If after you have studied this you are still willing to surrender the constitutional authority of Congress to control trade treaties, then there is nothing further the gentleman from West Virginia can do about it. I shall, of course, continue to oppose the surrender of the rights of the Congress.

HON. E. T. BENSON, SECRETARY OF AGRICULTURE

Mr. METCALF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. METCALF. Mr. Speaker, on July 8, 1953, I addressed a letter to the Secretary of Agriculture. It was my desire to call to his personal attention a loyalty case—a case in which in my opinion there was a grave miscarriage of justice.

Under date of July 21, 1953, I received a reply from the Department of Agriculture signed E. T. Benson, Secretary:

> I also have reviewed our file—

The letter read. At another point, there was this phrase:

> I can find no basis for reversing it—

"It" meaning the decision.

The letter also said:

> The record in this case is voluminous. It includes investigative reports in addition to transcripts of hearings.

When I read the transcript, I could not find any basis for the decision of the Loyalty Review Board. I disapproved of basing the action of the Board on investigative reports, the contents of which were not revealed to the accused or his counsel; but there was some consolation in the statement that Mr. Benson had read some evidence that convinced him that the decision was correct.

Events of the past few days, however, have made me doubt even this. I refer to the letter to Harper's magazine, signed with the name of the Secretary of Agriculture, who wrote:

> I have read the article with a great deal of interest. It is excellent.

This is the article which insults every farmer in America.

Last Friday, Mr. Benson said:

> The article was sent into my office, but in the rush of my duties I did not see it. The letter was signed with my name by an assistant, who has this authority for occasional routine acknowledgments.

Since Mr. Benson had not read the Harper's article and did not sign that letter which bore his name, perhaps he did not read the record in the case I have cited. Therefore, I have written him, asking if he read the record in the case I wrote him about and if he signed the letter to me.

Mr. HOFFMAN of Michigan. If you keep writing him how do you expect him to read them all?

The SPEAKER. The time of the gentleman from Montana has expired.

SECRETARY BENSON'S APOLOGY

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, in order that we may keep the record straight relative to the publicized so-called apology of the Secretary of Agriculture, let me say that last Friday when he told the world that he had not signed a letter that appeared in Harper's magazine, that he had not read the article, and so forth, I just want the record to show that the apology did not come until after the heat got hot last Friday afternoon, and at the request of members of his own party.

I have in my hand here a copy of a publication circulated in the Department of Agriculture, sometimes called the Green Hornet. This was published last Thursday morning, when it was generally circulated throughout the Department of Agriculture. The Secretary at that time had notice of the fact that I had called his attention on Wednesday to the article which appeared in the December issue of Harper's; I also called attention to the letter which bore his name which appeared in the February issue of Harper's. He did not take the opportunity to offer that apology on Wednesday; he did not offer the apology on Thursday; he did not offer the apology on Friday morning; he did not offer it until Friday afternoon when the heat got hot, when even members of his own party in Congress called for his resignation.

Then he came through with the apology.

It is the same old story, Mr. Speaker. Not until he is forced into a corner from which there is no escape does the Secretary come forth with a so-called apology which no one can construe as being made voluntarily.

The Secretary is quoted now as saying that he does not endorse the article which appeared in the December issue of Harper's. But regardless of who wrote or who signed the letter which appeared over his name saying that "It is excellent," there appears to be no question that it was written in the Secretary's office. Despite the fact that the Secretary has written, "Of course, the contents of the article as reported to me by my staff does not in the slightest reflect by views," must we not assume that both his actions and his expressions within the sanctity of his private office, have caused his associates and personal employees to believe that the article did express his true views?

I will be looking forward to the "Letters to the Editor" in the March issue of Harper's.

THE PRESIDENT'S REPLY TO THE RUSSIAN OVERTURES

Mr. BECKER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BECKER. Mr. Speaker, I rise to express my appreciation, my public appreciation, of the letter sent by the President of the United States in reply to the letter of the Premier of the Soviet Union.

The President made a very complete statement of facts as to why the United States could not, and should not, enter into any 20-year agreement with Soviet Russia. I am glad the President expressed all the reasons. Again I want to commend very highly, and I am sure the American people thoroughly agree with it, that paragraph of the President's letter wherein he said that the only way Soviet Russia can express her sincerity is not by words but by deeds and by actions.

I go further and say that the only way they can express to the United States and to the world that they are interested in peace is to release from behind the Iron Curtain all of those nations that are now in slavery under the Communist yoke, and take steps for the unification of Germany.

I know the American people will applaud and uphold the President in his position.

SIGNED AND UNSIGNED LETTERS

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McDONOUGH. Mr. Speaker, while we are talking about letters that were signed and unsigned, I am sure this is not limited to either side of the aisle.

I recall receiving a letter from former President Harry Truman in which he expressed to me the thought that the Marine Corps had a propaganda machine equal to that of Stalin's but that it was going to remain the police force of the Navy as long as he was President of the United States. However, before he retired as President of the United States he signed a bill which gave the Marine Corps equal status on the Joint Chiefs of Staff, which was the subject of the letter I wrote to him.

So the question of signed or unsigned letters is not limited to either party. That was one letter I am sure former President Truman regretted he ever signed.

I am sure most of the Members of the House remember former President Truman's letter to me which follows:

> THE WHITE HOUSE,
> *Washington, August 29, 1950.*
>
> Hon. GORDON L. McDONOUGH,
> *House of Representatives,*
> *Washington, D. C.*
>
> MY DEAR CONGRESSMAN McDONOUGH: I read with a lot of interest your letter in regard to the Marine Corps. For your information the Marine Corps is the Navy's police force and as long as I am President that is what it will remain. They have a propaganda machine that is almost equal to Stalin's.

Nobody desires to belittle the efforts of the Marine Corps but when the Marine Corps goes into the Army it works with and for the Army and that is the way it should be.

I am more than happy to have your expression of interest in this naval military organization. The Chief of Naval Operations is the Chief of Staff of the Navy of which the Marines are a part.

Sincerely yours,

HARRY S. TRUMAN.

RELIEF FROM TAXES ON GASOLINE AND SPECIAL FUELS USED ON FARMS

Mr. RAY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RAY. Mr. Speaker, when H. R. 8780 comes before the House today under suspension of the rules, the time for debate will be very short. Therefore, I have asked this opportunity to state my views.

H. R. 8780 is presented because many people engaged in farming, particularly those whose farm operations are on a relatively small scale, are in a distressed economic condition and must have immediate help. The ones we hear most about are engaged in the kinds of farming to which price supports and production controls apply. In a very real sense, therefore, the Federal Government has some responsibility for their plight. The loss of revenue which the Government will suffer if this bill becomes law has been covered in the budget now before us.

I will vote for the bill as an emergency measure.

But H. R. 8780 gives substantial tax relief to all engaged in farming. The larger the farming operation carried on by an individual, the more gasoline and so forth he will use and the larger will be his tax benefit. Conversely, the man whose farming operations are on a relatively small scale will get correspondingly small benefits.

There are many prosperous farmers. It is my understanding that most of the prosperous farmers are to be found among those who do not get subsidies, who are not subject to acreage or other production controls and who can take pride in standing on their own feet. Under this bill, those prosperous farmers will get relief which they do not need and, as far as I know, have not asked for. The ones who need help may not get enough but what they do receive will, by reason of the concessions made to those who do not need them, be very costly to the Public Treasury. H. R. 8780 should be regarded as stopgap rather than permanent legislation.

Mr. Speaker, it is high time that the whole farm program be brought into proper perspective, that the Government confine its help to those who need and deserve help, and that it cease making donations to those who do not need help. Such action would go far to avoid the accumulation of surpluses, it would permit the elimination of many of the troublesome controls which still continue, and it would reintegrate farming in the country's free enterprise system.

SECRETARY OF AGRICULTURE

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, I want to be helpful if I may. If the Secretary of Agriculture is a fast reader, and I assume he is, and if he read 24 hours each day, I wonder if he could personally read all the mail that comes to him. Along the line of trying to be helpful, if our Democratic friends would not find so much fault with the Secretary, he would have more time to read more letters himself, but you keep him so busy all the time with your complaints, and in that criticism you were joined by a couple of Members in the other body who belong to our party. They sure got on the ball quickly, those two gentlemen, suggesting that he resign. I cannot appreciate that. But, keep it in mind, will you, please, not to find fault with the Secretary all the time, if he, just as you and I, delegate some of his duties, and when a mistake is made, he accepts responsibility and apologizes. It is difficult for some to appreciate a frank, honest official.

GALLANTRY

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I, too, want to be helpful. It seems to me that one issue has been overlooked in the discussion of Secretary Benson's letter, and that is the issue of gallantry. I was brought up to believe that a man kept his mouth shut unless there was something about a woman that he could say in a complimentary sense. Now, why was it necessary to pin the blame for Mr. Benson's self-confessed boner on a poor little woman?

FORMER PRESIDENT TRUMAN

Mr. CHRISTOPHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHRISTOPHER. Mr. Speaker, I do not know whether I want to be helpful or not. I have not made up my mind about that yet. The gentleman who a few minutes ago was down to this mike was recalling a letter that President Truman, of Missouri, signed and then later signed a bill that was at variance with that letter. That is probably true because the man who made that statement is a very truthful man. But I am sure of one thing. If Harry Truman ever signed a letter that came out with his signature affixed to it, he has never and never will deny signing that letter nor deny a knowledge of the contents of that letter, and he will never hide behind an office force and try to make the people that work for him responsible for the things he did himself. I am sure that that has never happened and will never happen.

TAXES ON GASOLINE AND SPECIAL FUELS USED ON FARMS

Mr. COOPER. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 8780) to amend the Internal Revenue Code of 1954 to relieve farmers from excise taxes in the case of gasoline and special fuels used on the farm for farming purposes.

The Clerk read as follows:

Be it enacted, etc.—

SECTION 1. Relief from excise tax on gasoline.

Subchapter B of chapter 65 of the Internal Revenue Code of 1954 (rules of special application for abatements, credits, and refunds) is amended by renumbering section 6420 as 6421 and by inserting after section 6419 the following new section:

"SEC. 6420. Gasoline used on farms.

"(a) Gasoline: If gasoline is used on a farm for farming purposes, the Secretary or his delegate shall pay (without interest) to the ultimate purchaser of such gasoline the amount determined by multiplying—

"(1) the number of gallons so used, by

"(2) the rate of tax on gasoline under section 4081 which applied on the date he purchased such gasoline.

"(b) Time for filing claim; period covered: Not more than one claim may be filed under this section by any person with respect to gasoline used during the 1-year period ending June 30 of any year. No claim shall be allowed under this section with respect to any 1-year period unless filed on or before September 30 of the year in which such 1-year period ends.

"(c) Meaning of terms: For purposes of this section—

"(1) Use on a farm for farming purposes: Gasoline shall be treated as used on a farm for farming purposes only if used (A) in carrying on a trade or business, (B) on a farm situated in the United States, and (C) for farming purposes.

"(2) Farm: The term 'farm' includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

"(3) Farming purposes: Gasoline shall be treated as used for farming purposes only if used—

"(A) by any person in connection with cultivating soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and fur-bearing animals and wildlife;

"(B) by the owner, tenant, or operator of a farm, in handling, drying, packing, grading, or storing any agricultural or horticultural commodity in its unmanufactured state; but only if such owner, tenant, or operator produced more than one-half of the commodity which he so treated during the period with respect to which claim is filed;

"(C) by the owner, tenant, or operator of a farm, in connection with—

"(i) the planting, cultivating, caring for, or cutting of trees, or

"(ii) the preparation (other than milling) of trees for market,

incidental to farming operations; or

"(D) by the owner, tenant, or operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment.

"(4) Gasoline: The term 'gasoline' has the meaning given to such term by section 4082 (b).

"(d) Exempt sales; other payments or refunds available: No amount shall be paid under this section with respect to any gasoline which the Secretary or his delegate determines was exempt from the tax imposed by section 4801. The amount which (but for this sentence) would be payable under this section with respect to any gasoline shall be reduced by any other amount which the Secretary or his delegate determines is payable under this section, or is refundable under any provision of this title, to any person with respect to such gasoline.

"(e) Applicable laws:

"(1) In general: All provisions of law including penalties, applicable in respect of the tax imposed by section 4081 shall, insofar as applicable and not inconsistent with this section, apply in respect of the payments provided for in this section to the same extent as if such payments constituted refunds of overpayments of the tax so imposed.

"(2) Examination of books and witnesses: For the purpose of ascertaining the correctness of any claim made under this section or the correctness of any payment made in respect of any such claim, the Secretary or his delegate shall have the authority granted by paragraphs (1), (2), and (3) of section 7602 (relating to examination of books and witnesses) as if the claimant were the person liable for tax.

"(3) Fractional parts of a dollar: Section 7504 (granting the Secretary discretion with respect to fractional parts of a dollar) shall not apply.

"(f) Regulations: The Secretary or his delegate may by regulations prescribe the conditions, not inconsistent with the provisions of this section, under which payments may be made under this section.

"(g) Effective date: This section shall apply only with respect to gasoline purchased after December 31, 1955.

"(h) Cross references:

"(1) For exemption from tax in case of diesel fuel and special motor fuels used on a farm for farming purposes, see section 4041 (d).

"(2) For civil penalty for excessive claim under this section, see section 6675.

"(3) For fraud penalties, etc., see chapter 75 (section 7201 and following, relating to claims, other offenses, and forfeitures)."

SEC. 2. Relief from taxes on diesel fuel and special motor fuels.

(a) (1) Section 4041 of the Internal Revenue Code of 1954 (relating to excise taxes on diesel fuel and special motor fuels) is amended by adding at the end thereof the following new subsection:

"(d) Exemption for farm use:

"(1) Exemption: Under regulations prescribed by the Secretary or his delegate—

"(A) no tax shall be imposed under subsection (a) (1) or (b) (1) on the sale of any liquid sold for use on a farm for farming purposes, and

"(B) no tax shall be imposed under subsection (a) (2) or (b) (2) on the use of any liquid used on a farm for farming purposes.

"(2) Use on a farm for farming purposes: For purposes of paragraph (1) of this subsection, use on a farm for farming purposes shall be determined in accordance with paragraphs (1), (2), and (3) of section 6420 (c)."

(2) The amendment made by paragraph (1) shall take effect on the day after the date of the enactment of this act.

(b) (1) Section 6416 (b) (2) (C) of such code (relating to credit or refund of overpayment of tax on special fuels) is amended to read as follows:

"(C) In the case of a liquid taxable under section 4041, sold for use as fuel in a diesel-powered highway vehicle or as fuel for the propulsion of a motor vehicle, motorboat, or airplane, if (i) the vendee used such liquid otherwise than as fuel in such a vehicle, motorboat, or airplane or resold such liquid, or (ii) such liquid was (within the meaning of paragraphs (1), (2), and (3) of section 6420 (c)) used on a farm for farming purposes;".

(2) The amendment made by paragraph (1) shall apply with respect to liquid sold after December 31, 1955.

SEC. 3. Civil penalty for excessive claims for gasoline used on farms.

Subchapter B of chapter 68 of the Internal Revenue Code of 1954 (relating to assessable penalties) is amended by adding at the end thereof the following new section:

"SEC 6675. Excessive claims for gasoline used on farms.

"(a) Civil penalty: In addition to any criminal penalty provided by law, if a claim is made under section 6420 (relating to gasoline used on farms) for an excessive amount, unless it is shown that the claim for such excessive amount is due to reasonable cause, the person making such claim shall be liable to a penalty in an amount equal to whichever of the following is the greater:

"(1) Two times the excessive amount; or

"(2) $10.

"(b) Excessive amount defined: For purposes of this section, the term 'excessive amount' means in the case of any person the amount by which—

"(1) the amount claimed under section 6420 for any period, exceeds

"(2) the amount allowable under such section for such period.

"(c) Assessment and collection of penalty:

"For assessment and collection of penalty provided by subsection (a), see section 6206."

SEC. 4. Technical amendments.

(a) (1) Subpart A of part III of subchapter A of chapter 32 of the Internal Revenue Code of 1954 (relating to excise tax on gasoline) is amended by adding at the end thereof the following new section:

"SEC. 4084. Relief of farmers from tax in case of gasoline used on the farm.

"For provisions to relieve farmers from excise tax in the case of gasoline used on the farm for farming purposes, see section 6420."

(2) The table of sections for such subpart A is amended by adding at the end thereof the following:

"SEC. 4084. Relief of farmers from tax in case of gasoline used on the farm."

(b) (1) Subchapter A of chapter 63 of such Code (relating to assessment) is amended by renumbering section 6206 as 6207 and by inserting after section 6205 the following new section:

"SEC. 6206. Special rules applicable to excessive claims under section 6420.

"Any portion of a payment made under section 6420 which constitutes an excessive amount (as defined in section 6675 (b)), and any civil penalty provided by section 6675, may be assessed and collected as if it were a tax imposed by section 4081 and as if the person who made the claim were liable for such tax. The period for assessing any such portion, and for assessing any such penalty, shall be 3 years from the last day prescribed for the filing of the claim under section 6420."

(2) The table of sections for such subchapter A is amended by striking out

"SEC. 6206. Cross references."

and inserting in lieu thereof

"SEC. 6206. Special rules applicable to excessive claims under section 6420.

"SEC. 6207. Cross references."

(c) The table of sections for subchapter B of chapter 65 of such Code is amended by striking out

"SEC. 6420. Cross references."

and inserting in lieu thereof the following:

"SEC. 6420. Gasoline used on farms.

"SEC. 6421. Cross references."

(d) Section 6504 of such Code (cross references for limitations on assessments) is amended by adding at the end thereof the following:

"(13) Assessments to recover excessive amounts paid under section 6420 (relating to gasoline used on farms) and assessments of civil penalties under section 6675 for excessive claims under section 6420, see section 6206."

(e) Section 6511 (f) of such Code (cross references for limitations on credit or refund) is amended by adding at the end thereof the following:

"(5) For limitations in case of payments under section 6420 (relating to gasoline used on farms), see section 6420 (b)."

(f) Section 6612 (c) of such Code (cross references for restrictions on interest) is amended by striking out "and" before "6419" and by inserting before the period at the end thereof the following: ", and 6420 (relating to payments in the case of gasoline used on the farm for farming purposes)."

(g) The table of sections for subchapter B of chapter 68 of such Code is amended by adding at the end thereof the following:

"SEC. 6675. Excessive claims for gasoline used on farms."

(h) Section 7210 of such Code (relating to failure to obey summons) is amended by striking out "sections 7602," and inserting in lieu thereof "sections 6420 (e) (2), 7602,".

(i) Sections 7603 (relating to service of summons), 7604 (relating to enforcement of summons), and 7605 (relating to time and place of examination) of such Code are each amended by striking out "section 7602" wherever it appears and inserting in lieu thereof "section 6420 (e) (2) or 7602."

The SPEAKER. Is a second demanded?

Mr. REED of New York. Mr. Speaker, I demand a second.

Mr. COOPER. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may be permitted to extend their remarks in the RECORD on the pending bill before the vote is taken.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, while it is possible that some of my remarks that will follow may be critical of the Eisenhower farm program in general, I would like to assure the distinguished membership of this august body that I rise in support of the legislation pending before us at this time.

H. R. 8780, as explained by our beloved chairman, the Honorable JERE COOPER, of Tennessee, and others who have preceded me in addressing the House today, would provide tax relief to the farmers from excise taxes imposed on gasoline and special fuels when these fuels are used on the farm for farming purposes.

This legislation was endorsed in principle in the President's farm message as presented to the Congress on January 9, 1956. However, it is significant to note that one of my very able and distinguished colleagues on the Committee on Ways and Means, the Honorable A. SIDNEY HERLONG, of Florida, had a proposal similar in purpose pending before the committee since March 10, 1955. His legislation, H. R. 4804, was never reported on by the Treasury Department despite the fact that such a request for a report was made by the committee on March 25, 1955.

We should not fool ourselves into thinking that we are solving the Republican farm problem by the enactment of this measure. The total revenue loss to the Federal Treasury from the bill is estimated to be $60 million per year. Treasury officials advise us that they anticipate 5 million claims for refund will be filed as a result of this refund procedure. By simple arithmetic you can arrive at a very small average annual refund that might result. But the relief is even more distorted than that when it is realized that many of our small farmers do not own mechanical equipment used on the farm that consume either gasoline or special fuels. Therefore, I suggest that while some farmers will realize no gain from this provision, the large corporation farm may realize another Republican windfall.

I do not quarrel with any economic relief that might be granted to any farmer. We all recognize that little benefit has befallen our American agriculture since the Eisenhower administration took office. The Democrats are anxious to do everything possible to assist the small farmer, the medium size farmer and the big farmer in their present Republican plight. We Democrats want to restore to our entire farm population the prosperity and economic well-being that was enjoyed by that important segment of our economy under Democratic administrations. I would suggest that the time is long overdue for the Congress to relieve the American farmer of the shackles of the "dynamic conservatism" for agriculture that has been imposed upon him to his economic detriment by the Eisenhower administration.

My congressional district is essentially industrial in character. The people I represent come from the factory, the shop and the store but like the farmer they are Americans who work with their hands and with their minds. They join me in realizing that the farmer's economic well-being means their economic well-being. For that reason I have always supported forward-looking farm legislation because I knew that my vote was not only a vote for my constituents but also a vote for the economic integrity of America.

I believe it important, Mr. Speaker, that we make it clear that by granting this tax relief to agriculture we are giving no suggestion of endorsing the principle of earmarking funds so that Federal revenues derived from highway uses would be solely used for highway purposes. I believe it would be dangerous if an inference should be drawn from this legislation that the Congress intends such an implication of earmarking. Rather than being intended as earmarking legislation, this measure has been favorably reported to the House by the Committee on Ways and Means to partially relieve the farmer from the price-cost squeeze that has been imposed upon him by the irresponsible and shortsighted Republican farm program.

It is my hope, Mr. Speaker, that the Eisenhower administration will see fit to support other meritorious tax legislation that will grant more substantial tax relief to not only our American farmers but to all our American taxpayers. It is essential that such tax reduction, particularly granting relief to low-income taxpayers, be enacted during this session of Congress so as to restore balance to the Federal tax burden borne by our citizens. This balance was distorted by the tax cuts given primarily to corporations and to high-income families during the Republican 83d Congress. I would suggest to the responsible fiscal officials of the Eisenhower administration and to my colleagues in the House that tax reduction which would restore our taxing system to the principle of taxation according to ability to pay is long overdue. In the meantime, I support the enactment of H. R. 8780.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I hope there will be no opposition to this bill. The American farmer is suffering from what is probably the worst farm depression since the early thirties. The exemption of fuel used on the farm from Federal gasoline taxes will lower the cost of farm production very little, but in the light of the farmers' present plight, he needs all the help he can get.

Mr. Speaker, many suggestions have been advances for alleviating the farm situation which is admittedly drastic. Last year, the House passed legislation restoring a fixed 90 percent parity support for basic commodities. Should this bill pass the other body and become law, I am certain it will be of a great deal of help to the farmer.

There is no need to deceive ourselves, however, into believing that any domestic program we may adopt will be the answer to our problem. If we are to solve this crisis, we are going to have to recapture our world markets which we have lost through vacillating foreign policies. We will never recapture our world markets until we wake up to the fact that we are subsidizing our foreign competitors with our tax money. American farmers are being taxed to subsidize their competitors all over the world. Such inane policies are slowly but surely driving our farmers out of business.

The time has come to face up to the facts. Foreign aid is slowly but surely wiping out the family farm.

U. S. News & World Report recently made public a survey showing that the average southern cotton farmer received only 7 cents an hour for his labor, while the average industrial worker received well over $1.50 per hour. The latter has no investment while the farmer has his life's earnings invested in land and machinery. No interest is earned on this investment, of course.

Mr. BROOKS of Louisiana. Mr. Speaker, of course, I support H. R. 8780. It is a bill which will relieve farmers of the necessity of paying an excise tax on gasoline purchased by them and consumed by them on the farm. This bill corrects an injustice of long standing and by permitting this tax exemption it places Congress in line with our own State Legislature of Louisiana in this respect.

The Federal road program is and should be largely a program providing interstate highways. These highways are needed for national-defense purposes, and they stretch from one end of the land to the other. They are not local in their purposes but are intended to facilitate commerce throughout the land.

We are about to pass another huge road program. This program will provide billions of dollars for interstate highways, needed largely for national defense. It is proposed, however, that such a bill be financed by an addition to our gasoline tax. The farmer is not interested especially in this program. It will provide no special benefit to him any more than to any other individual in the country, and I think it is an act of simple justice that he be relieved of the burden of paying the tax on gasoline and diesel fuels that has nothing to do with the road program.

It has well been said by an able Representative from the State of Tennessee on this floor in the past 2 days that the American farmer is now caught in a price squeeze. While our industrial economy hums on at high pitch, the farmer's condition has steadily declined. Prices for things he purchases continue to mount and his expenses increase with the high cost of doing business in an inflated economy. At the same time, the prices which he receives for his own commodities steadily decline. Unless he is exempt, he faces the possibility that the Federal road tax may be further increased and his burden of taxation may be increased at a time when his financial condition does not permit him to reach out and assume new obligations.

This bill will save our American farmer $60 million. Farmers will file applications to be relieved of the excise tax on gasoline and farm fuels once a year, at the end of the fiscal year. They will receive from the Treasury a check for the amount that they have paid in, representing the tax paid for farm-used gasoline and diesel fuels. In our free economy the sum of $60 million is a small amount. To the average farmer it is a saving which will be of great assistance to him in this period of economic pinch which is pushing him slowly into an intolerable position.

Mr. BEAMER. Mr. Speaker, as a farmer myself and as a Representative from the Fifth District of Indiana that boasts of some of the finest farm land in the United States, I feel that I am deeply conscious of the fact that the farmer is not sharing in this Nation's unprecedented economy. Many letters come from farm friends and I have visited hundreds and thousands of farmers.

The big majority suggest that some help in solving their problem will be appreciated. The elimination of the excise tax on gasoline and lubricating oils used for agricultural purposes is one of the measures that will bring immediate relief to farmers.

I introduced a similar measure, H. R. 8586, and appreciated the prompt action taken by the Ways and Means Committee on these measures. It is hoped that the Committees on Agriculture in the House and Senate will give prompt attention to other proposals helpful to the farmers.

Mr. AVERY. Mr. Speaker, because of my long-standing support for the provisions of H. R. 8780, which exempts fuel used in farm production from Federal excise tax, and because I was delayed by inclement weather and could not return from an official business trip to my home district in time to register my vote, I wish to take this means of going on record in favor of the bill. Had I been here, I would have voted "yea." I have long been a proponent of this type of legislation. I am confident H. R. 8780 will soon become law and the farm people will shortly be enjoying this saving in production costs. I ask leave to have this statement entered in the permanent RECORD immediately following the vote on H. R. 8780.

Mr. COOPER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the pending bill, H. R. 8780, which I introduced, is designed to relieve farmers from the burden of the excise taxes presently imposed on gasoline and special motor fuels used on farms for farming operations. These taxes are now 2 cents per gallon.

The gentleman from New York [Mr. REED] introduced an identical bill, H. R. 8781. It is estimated that enactment of this legislation will provide about $60 million of tax relief to farmers each year.

This legislation is not predicated on the fact that gasoline, diesel fuel, and special motor fuels used by farmers are used for nonhighway purposes, but upon the belief that the Congress should effectuate this tax relief for our hard-pressed farmers. The industrial segment of our economy continues to operate at a high level. On the other hand, the agricultural segment continues to experience a decline both in farm prices and farm income. Serious as this decline in farm income is in itself, prospects for the future are even more grave, because, unless reversed, this decline is likely to cause serious repercussions throughout our entire economy.

Today the farmer is caught in a severe price-cost squeeze. The price which he receives for his products are declining, while at the same time the costs of the goods which he must purchase are rising. While I recognize that this is a problem which must be met on every front possible, and that the pending bill is only a step in the right direction, the bill is a beginning and will reduce the farmer's operating costs in the amount of $60 million by relieving him from the gasoline, diesel fuel, and special motor fuels excise tax in his farming operations.

On January 16, 1956, I introduced H. R. 8461 which would provide relief for farmers who have a gross income of $10,000 or less by way of an optional standard deduction. H. R. 8461 would benefit many of these low-income farmers whether or not they own machinery which uses gasoline and special motor fuels. I have requested that reports on my bill from the Department of Agriculture and the Treasury Department be expedited. It is my hope that these reports will be favorable and that we can provide additional tax relief for low-income farmers along these lines.

The pending bill would grant a refund directly to the farmer of the tax paid on gasoline used:

First, in carrying on trade or business; second, on farms in the United States; third, for farming purposes. The definition of "farm" used in the bill is the same as that presently found in the Internal Revenue Code with respect to the Federal Insurance Contributions Act. The term "farming purposes" is also defined in the bill and includes use by any person in connection with cultivation of the soil, or the raising or harvesting of agricultural or horticultural commodities, including the raising, shearing, feeding, caring for, training and management of livestock, bees, poultry, and fur-bearing animals, and wildlife.

In addition, the bill provides relief in the case of diesel fuel and special motor fuels, such as propane, butane, and hot tractor fuel used on a farm for farming purposes. Present law already provides that the tax on diesel fuel is to apply only when such fuel is used in highway vehicles. The pending bill would exempt diesel fuel used in highway vehicles where such vehicles are used on a farm for farming purposes. With respect to special motor fuels, present law provides that the tax is to be imposed only when the fuel is used in a motor vehicle, motorboat or airplane. The pending bill provides an exemption for such use on a farm for farming purposes.

In the case of diesel fuel and special motor fuels which have been sold tax-paid, provision is made for credit or refund when such fuels are used on a farm for farming purposes.

Mr. Speaker, although this bill is by no means a full answer to the plight in which farmers find themselves today, it will relieve them from some of their costs. The bill was reported unanimously on a rollcall vote by our committee. I urge that it be enacted.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. As I understand it, this was one of the recommendations of the President?

Mr. COOPER. The gentleman is correct.

Mr. McCORMACK. I also understand that the gentleman from Florida [Mr. HERLONG] introduced a similar bill, a bill to accomplish the same purpose in March of 1955?

Mr. COOPER. That is correct. Quite a number of other bills were introduced along the same line in the last session.

Mr. McCORMACK. Can the gentleman advise us if a report was requested of the Treasury Department on the Herlong bill and the other bills?

Mr. COOPER. Yes, that is my recollection. I can also state to the gentleman that the administration opposed it the last session.

Mr. McCORMACK. In other words, it is another conversion?

Mr. COOPER. Apparently so. The administration took the position all last year that the administration would oppose any excise tax changes that resulted in any loss of revenue. Of course this bill will lose $60 million of revenue, so the administration was opposed to it all last year. But this year in his agricultural message to Congress the President recommended it and the administration is now supporting the pending bill.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Massachusetts.

Mr. MARTIN. It is equally true that this tax was put into effect in 1932, and that for 20 years no effort was made by the Democrats who controlled Congress most of the time to remove it. Therefore, we must believe that they also have had a conversion when they now bring the bill in at this time.

Mr. COOPER. Of course it was continued during the 80th Republican Congress.

Mr. MARTIN. There were other conversions besides any change on the part of the Republicans.

Mr. COOPER. During the entire 3 years of Mr. Eisenhower's administration it has been continued, and has continued up until now.

Mr. MARTIN. And in 20 years of Democratic administration.

Mr. COOPER. And all the time you have been in power.

Mr. MARTIN. And all the time you have been in power also.

Mr. REED of New York. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this bill, H. R. 8780, carries out President Eisenhower's recommendation that farmers be relieved of the burden of the present Federal excise tax on gasoline when used in tractors, trucks, and other farm equipment for agricultural purposes. The bill also extends relief in the case of diesel and other special motor fuels. It was reported unanimously by the Committee on Ways and Means. An identical bill was introduced by myself at the same time as that now before the House.

I do not consider this to be a tax-reduction measure, but an act of simple equity designed to correct a longstanding injustice against the American farmer. These Federal excises merely serve to increase the farmer's production costs. In so doing they add materially to the severe price-cost squeeze from which, in the words of President Eisenhower, "our farm people, with the help of government, must be relieved."

Of course, it is true that the farmer today can deduct, in computing his income taxes, these Federal excises to the extent that they are business expenses. By this means he is partially relieved of their burden. Unfortunately this relief varies widely between different taxpayers. The average small farmer with only a small taxable income gets very little benefit from the deduction. The farmer who does not have enough income to be subject to the income tax at all gets absolutely no benefit whatsoever. This bill will correct this discrimination and will relieve all farmers of this burden.

Congress will again consider this session a highway program. It has been widely proposed that the cost of this program be met, at least in part, by increased taxes on gasoline. In my opinion, it would be unconscionable for nonhighway farm operations to be forced to share this burden when such operations would receive no benefit from the program. I consider this to be an important reason for prompt action on this bill.

The bill provides in effect that refunds are to be paid to purchasers of gasoline used on a farm for farming purposes. Under present tax rates, this refund will be 2 cents a gallon, the amount of the Federal gasoline tax. The refunds will be paid annually on the basis of claims filed after June 30 with respect to the preceding 12 months. The farmer will file his claim with the Internal Revenue Service and will have until September 30 to do so. Refunds claimed after this coming June 30 will only be for taxes paid on gasoline purchased during the first 6 months of 1956.

I had hoped that a system could be worked out so that farmers could be exempt from the tax at the time they purchase the gasoline rather than requiring the more cumbersome procedure of paying the tax and then claiming a refund. However, it proved impossible to work out such a plan. Practically all States use a refund procedure such as our committee bill provides.

Finally, I should point out that the bill does not relieve farmers of the Federal tax on lubricating oils. My original bill did provide such relief. However, we discovered that the exemption of lubricating oils would mean such a small saving to the average farmer that the exemption would not be worth while in view of the bookkeeping headaches involved.

Mr. Speaker, I believe that the Committee on Ways and Means is to be congratulated for its prompt action on this recommendation of President Eisenhower.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. AUGUST H. ANDRESEN. I strongly favor the passage of this bill, H. R. 8780, which carries out the recommendation of the President to provide for a refund of the Federal gasoline tax to farmers who use gasoline for nonhighway purposes. I wish to commend the Ways and Means Committee for its prompt action in reporting a bill. The Committee on Agriculture, of which I am a member, unanimously urged the Ways and Means Committee to report this bill and I am very glad that such action was taken. It is my hope that the House of Representatives will report this bill today and that it soon may be enacted into law in order to relieve our farmers from paying the Federal tax on gasoline used for nonhighway purposes.

Mr. REED of New York. Thank you, sir, very much.

Mr. PELLY. Mr. Speaker, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. PELLY. Can the gentleman tell us if the budget has allowed for this loss of $60 million in revenue?

Mr. REED of New York. Oh, yes, they have allowed for that.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. GROSS. Mr. Speaker, I want to associate myself with the statement made by the gentleman from New York that this is not necessarily tax relief, but rather the correction of a tax inequity and an injustice upon the farmers of this country. Further, I want to say that if anyone entertains the idea that this is a real correction of the economic situation which confronts the farmers of the Nation, they are just as wrong as they can be. This may be helpful, but it does not correct the serious economic situation that has been permitted to overwhelm the American farmer.

Mr. REED of New York. But it does help.

Mr. GROSS. It does help, and I certainly support this legislation.

Mr. COOPER. Mr. Speaker, I yield such time as he may desire to the gentleman from Rhode Island [Mr. FORAND].

Mr. FORAND. Mr. Speaker, our colleague, the gentleman from North Carolina [Mr. FOUNTAIN] is absent because of official business. He has requested me to state to the House that he is strongly in favor of the bill, H. R. 8780, and if he were able to be present today, he would vote for it.

Mr. COOPER. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. KARSTEN].

Mr. KARSTEN. Mr. Speaker, it will be my purpose this afternoon to support passage of H. R. 8780, a bill to relieve farmers of the burden of the Federal excise taxes imposed on gasoline and special motor fuels used on farms for farming purposes.

This legislation is expected to result in a revenue loss to the Federal Treasury of $60 million annually. When it is considered that 5 million claims for refund are expected to be filed pursuant to this legislation, a simple mathematical computation will indicate that the average weekly tax relief that the individual American farmer would realize from this measure is in the neighborhood of 23 cents.

This pittance that is being doled out to the American farmer upon the recommendation of the Republican administration is opposed to the billions of dollars in tax relief granted to corporations and high income taxpayers during the Republican 83d Congress, and the billions of dollars lost to our farmers in income under Republican mismanagement. It may be that Secretary Humphrey would have the Congress designate this 23 cents per week tax relief as the "administration's Revenue Act of 1956."

Because the revenue implications with respect to each farmer was so small, I proposed in lieu of the proposed refund that a $10 tax credit be adopted for each American farmer. My proposal would have assured equal distribution of this pittance in tax relief as opposed to the present result that will likely occur whereby the small farmer will receive little or nothing and the big farmer will reap the principal tax benefits.

Mr. Speaker, I suggest that this not be the last tax relief legislation to be brought before the second session of the 84th Congress. The American farmer, indeed, all Americans who work for their livelihood, require tax reduction soon. Such tax reduction legislation must be equitable in principle and grant the bulk of the relief to our low income taxpayers who were so neglected in the Republican 83d Congress. I suggest that such tax relief could do much not only to raise the standard of living of our average American citizen, but it would also assist materially in the elimination of crop surpluses and other economic ills confronting our American farmer.

I urge my colleagues in the House to join with me in supporting the enactment of H. R. 8780.

In closing I would like to compliment the distinguished chairman of our committee, the Honorable JERE COOPER, of Tennessee, and my colleague on the committee, for the able work they have done in preparing this legislation for House consideration.

Mr. REED of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker, I think the farmers of the country can feel proud of the fact that the House of Representatives has almost unanimously come to the conclusion that the farmers have a just cause in their request to have the gasoline tax removed from gasoline used on the farm for farming purposes.

That the Congress has almost come to the conclusion to pass this bill is almost proved by the fact that this bill is brought up under a suspension of the rules. Everybody familiar with the rules of this House knows that when a bill is brought up under a request for a suspension of the rules that that means that there is practically no opposition to it.

All of us who know anything about the farm problem know that we have come to a place where we can now say something definite to the farmers and something that they can understand.

The President, in his agriculture message a short time ago, emphatically endorsed this program, and told us what to do about it. The same day that the President made his speech I introduced a bill providing for a reduction of 2 cents a gallon on gasoline used by farmers on their farms. This will amount to a reduction of $60 million. The farmers will appreciate this immensely.

I am proud that the Democrats have rallied behind this recommendation of the President and that we, the Republicans and the Democrats of the Ways and Means Committee, working together, have voted out this bill. Sixty million dollars is a large amount of money, but it is not a lot of money when it is divided among thousands of law-abiding farmers all over this Nation.

This bill is going to be difficult to administer in several ways, but, on the whole, it will become easy of administration. Practically all of the States now have laws giving farmers freedom from paying a tax on gasoline now being used on the farms.

The farmers in States that now collect the tax on gasoline used on the farms will find that this bill that we are considering today will be administered much as a State law is now being administered. They are going to have to pay the Federal tax just as they now pay the State tax. This bill does not do away with the system of paying, and they are going to get a reduction. They will have to pay until the 30th of June, and then they will have until September to file a claim for a reduction. I would say to the farmers that this is going to be a proposition that will be just as fair as their State law. I thing it is a well recognized fact that our farmers are as honest as any class of our people.

We have put into this bill the best that we could find available. We have put into it the experience of the finest experts of the country and we are giving the farmers something that they have to take care of. If they cooperate it will be to their advantage. If they resist this legislation it will be to their disadvantage.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to my chairman.

Mr. COOPER. I am sure the gentleman will recall that we used the assistance of about 25 experts in our committee in trying to work this cut on the best basis we possibly could.

Mr. JENKINS. Yes. I am glad to have the concurrence of our distinguished chairman in that respect.

I leave this with you my colleagues. If you were to take any advice from me, it would be that you get a copy of this report. It is well written and well prepared. I think we are giving the farmers of this country a chance to get a $60 million rebate in taxes, and I am sure that they will not abuse it. If there is anybody in this country who is a fine, upstanding, law-abiding class of people, it is the farmers. I was brought up on a farm myself. So I advise all farmers to observe the law and they will find it greatly to their advantage.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. REED of New York. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Speaker, like many of my colleagues, I am very happy that this legislation is before us today. I am sure it will be passed expeditiously. I compliment the committee for its prompt consideration of the bill to relieve the farmers of this tax obligation in their farm operations. This bill is an affirmative step which will be of material help and assistance to them.

One fact I want to mention is that in my own State of Illinois where we have such an exemption from State tax on gasoline, the program has worked out exceedingly well. There has been no chiseling and no effort on the part of anyone to try to take advantage of the exemption. I see no reason why such should not be the case in the matter of this Federal tax exemption.

Another pleasing thing to me is that this measure comes before us without political maneuvering. True, there has been a little political bantering here this morning about this bill, but this bill was brought out in a nonpartisan fashion for the benefit of agriculture as a whole in this country.

I sincerely hope speedy action is taken on all recommendations of the President for the welfare of our farmers. Let us act on the rest of these recommendations for our American farmers in the same cooperative and nonpartisan spirit we have considered this bill.

Mr. BATES. Mr. Speaker, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Massachusetts.

Mr. BATES. Mr. Speaker, I wish to ask a question of the chairman of the committee. I understand that fishermen are exempt on motor fuels. However, on page 11 of the committee report, under section 6416, it states that such fuels are taxable. Can the gentleman advise me under what section fishermen are exempt?

Mr. COOPER. I call the gentleman's attention to the fact that section 4222 of the Internal Revenue Code exempts them.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. MORANO. Does that exemption include oystermen and their boats?

Mr. COOPER. I call the gentleman's attention to the fact that the language reads "Fuel supply." It is my understanding it does include gasoline. The title of the section is: "Exemption from tax of certain supplies for vessels and airplanes."

Mr. REED of New York. Mr. Speaker, I yield 1 minute to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in colloquy with the gentleman from New York [Mr. REED].)

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. REED of New York. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Speaker, there is no doubt that the farmer today is caught in a severe price-cost squeeze. In recent years the prices farmers have received for farm produce have been declining while the costs of articles he must buy have been rising.

One of the most important domestic problems facing Congress at the present time is to help the farmer meet this situation.

This problem must be met on several fronts. One of the ways in which it could be met is to repeal the 2 cents per gallon tax presently imposed on the gasoline the farmer uses on his farm. H. R. 8780 reduces the farmer's operating cost by removing the taxes in the case of gasoline and special fuels used by the farmers but in both cases only with respect to the use on farms for farming purposes.

I do not see how any economic group could object to this proposed legislation.

When the original 2 cents per gallon tax was imposed for Federal assistance to States in the construction of highways, it was assumed that the drivers over these highways would pay the tax. The farmer was the one single large economic group that was penalized by the imposition of this tax who was not actually using the highways. He has been taxed all these years in the use of gasoline and special fuels which had no connection with highways. He will continue to be taxed for gasoline actually used on highways and not connected with farm operations. In this respect he will pay exactly the same tax as any other user of highways.

Refunds will be paid to the farmer on gasoline only where used in carrying on a trade or business on a farm in the United States, and for farming purposes. The term "farm" as used in this legislation is defined as including stock, dairy, poultry, fruit, truck-farms, plantations, ranches, or other similar uses primarily for the raising of agricultural commodities. The term "farming purposes" is also well defined. It includes the use by any person in connection with the cultivation of the soil, or the raising or harvesting of agricultural or horticultural commodities, including the raising, shearing, feeding, caring for, training, and management of livestock, poultry, and wildlife.

Section 2 of the bill also provides relief for diesel fuel and special motor fuels such as propane, butane, and so forth, including what is sometimes referred to as hot tractor fuel. Provision is made for credits or refunds with respect to diesel fuel and special motor fuels that have been sold tax-paid. This refund is obtained by taking the claim to the person making the first tax-paid sale.

I believe this is good legislation. It is estimated that this will provide farmers with approximately $60 million of tax relief this year. This tax relief is badly needed and I believe will be of some assistance to the farmer who has been badly pressed in the price-cost squeeze that I have previously mentioned.

I trust this bill will pass. As my good friends from the city know, we have in past years assisted economically pressed other groups with tax legislation where it would stimulate and expand industry to employ more people. This legislation for the farmer accomplishes some of the things that have been undertaken for other economic groups in other times.

I come from a large agricultural area. I have talked with farmers this year. They are not seeking any advantage but only something that in all fairness they are entitled to.

Mr. REED of New York. Mr. Speaker, I yield 1 minute to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Speaker, I want to ask a question of the chairman of the committee: Mr. Chairman, in my district citrus growers use gasoline powered wind machines for frost protection. I am wondering whether under the terms of this bill such use of gasoline will be exempt from this tax.

Mr. COOPER. That is carried under the bill.

Mr. REED of New York. Mr. Speaker, I yield one minute to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Speaker, I think this action is long overdue and I would like to compliment the members of the Ways and Means Committee on both sides of the aisle for bringing this bill to the floor. I am much pleased to see the Congress act so promptly on one of the important recommendations contained in President Eisenhower's agriculture message of January 9, 1956.

Mr. REED of New York. Mr. Speaker, I yield such time as he may desire to the gentleman from North Dakota, [Mr. BURDICK].

Mr. BURDICK. Mr. Speaker, I am in favor of the pending bill that will save some expense to the farmers. I am delighted to know of the nonpartisan action of the two great parties in the United States coming together on this occasion and giving each farmer in America $8.60.

The recommendation by the President that Congress take off the tax that farmers pay on gasoline to run their machinery has caused a lot of criticism in some quarters, as it is claimed that this is a positive exemption of the farmers from a tax which everybody should pay.

Let us examine this situation. The gas tax in the first place was passed for the direct purpose of building roads. When a farmer buys gas to propel his auto and uses the roads, he is paying just as everybody else pays, but when we tax him for gas to operate farm machinery, it has nothing to do with roads, and therefore the purpose of this tax on tractor gas disappears. It is only justice that this unfairness be remedied.

Secondly, everything the farmer buys has gone up tremendously in the last few years, and yet what he has to sell has gone down. If the farmers could use their dollar to buy a dollar's worth of goods, there would be no call for support prices; farmers would be satisfied with the present farm prices if the dollar they get would be the value of anyone's dollar; but when the farmer's dollar in the market has been so discounted that it takes three of his dollars to match a dollar in the price of necessary material and machinery, the farmer asks that some form of parity between these two extremes be established. Taking off the tax on gasoline for tractor use will help some, but not enough to bring about parity.

No friend of agriculture ought to object to taking off this tax, and those who are now objecting would see, if they thought a moment, that the taking off of this tax is the just thing to do. The tax on tractor gas used by farmers has constructed thousands of miles of road which their tractors never use.

Mr. REED of New York. Mr. Speaker, I yield such time as he may desire to the gentleman from Kansas [Mr. REES].

RELIEF FROM TAXES ON GASOLINE AND SPECIAL FUELS USED ON FARMS IS FAIR AND EQUITABLE

Mr. REES of Kansas. Mr. Speaker, the bill before us today is similar to a bill I introduced in this House almost a year ago. I am glad to know the committee has seen fit to submit this proposed legislation, the approval of which is long past due. The measure is fair; it is equitable.

Other nonhighway users of gasoline, including airplanes and motorboats, are exempt from taxes on gasoline and diesel fuel. Certainly the farmer who uses gasoline and diesel fuel to operate his farm equipment is entitled to similar treatment.

It is generally understood that gasoline tax, whether State or Federal, is intended for the use of building and improving our highways. This legislation will relieve the farmers of our country of a tax that heretofore has been inequitable and really unfair.

I am glad to have had a part in securing the approval of this legislation in the House. I trust there will be no delay in securing its final approval. I am sure the farmers will appreciate this tax relief amounting to approximately $70 million.

Mr. REED of New York. Mr. Speaker, I yield such time as he may desire to the gentleman from South Dakota [Mr. LOVRE].

Mr. LOVRE. Mr. Speaker, I rise in support of the bill now under consideration and at this time should like to call attention to the fact that the first official action taken by the Committee on Agriculture of the House in the 2d session of the 84th Congress was to recommend to the Committee on Ways and Means that a bill such as the one we have now under consideration be passed as quickly as possible. So once again I want to thank the committee for its prompt attention.

Mr. REED of New York. Mr. Speaker, I yield such time as he may desire to the gentleman from Iowa [Mr. DOLLIVER].

Mr. DOLLIVER. Mr. Speaker, I have a rather personal interest in the pending legislation since I introduced a similar bill in 1953. I reintroduced the same bill in 1955, in the first session of the present 84th Congress, which bill was referred to the Ways and Means Committee for consideration.

This bill has the especial merit that the provisions are retroactive to December 31, 1955. Farmers entitled to a refund can secure the money upon filing their claim with their Internal Revenue Office between July 1 and September 1, 1956. It will put a little money in the pocket of the farmer during the present crop year.

My mail reflects the unanimous support that comes for this measure from the grass roots of the country. All of the farmers are in favor of this legislation. I have received no communication voicing objection to it.

I heartily commend the committee for bringing in this bill and it ought to pass unanimously. Its favorable consideration augurs well for the development of a good and workable legislative program before the final adjournment of the 84th Congress.

Mr. COOPER. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. CHRISTOPHER].

Mr. CHRISTOPHER. Mr. Speaker, of course I am in favor of H. R. 8780 and if there is a rollcall vote I shall vote for the bill. However, it is a very weak gesture in the right direction.

The Republican administration now in control of the executive branch of the Government should be very proud of this. The Republican administration during the 3 years it has been in power has cost the American farmer $14 billion in loss of income and loss of inventory value. Now, through the President, they propose to give back $60 million to the farmers. If I cast up the figures on that and if I am not very much in error $60 million is only four-tenths of 1 percent of the $14 billion that this administration has cost the American farmers. It is equivalent to taking a hundred dollars out of their pockets and then turning around 2 or 3 times and saying "Here is 40 cents back. Does that not show I have been your lifelong friend?"

It reminds me of an old farm story I heard of a farmer who drove to town 10 miles with his wife and 11 children sitting on the hay in the old farm wagon. When they got to town the children were saying, "Daddy, we are hungry, we are hungry." So the old farmer went into the grocery store and bought six bananas. He brought them out to the wagon, peeled them, cut them in half, and gave his wife and 11 children a half banana apiece and said: "Now, you blankety-blanks, eat until you bust."

This piece of legislation reminds me of that story. Of course, it will help. But the 2 cents a gallon for gasoline that the farmers use when they are facing foreclosure and the inability to pay their debts all over the United States is the best example I have ever seen in my life of coming with too little and getting there too late.

Mr. HOEVEN. Mr. Speaker, I am pleased to see this part of President Eisenhower's program for American agriculture presented to the House so early in the session. I have wholeheartedly supported this legislation from its inception and feel it will give some lift to our distressed farm population. In fact, it will return some $60 million to the pockets of the American farmer. I shall vote for the bill and hope it passes the House unanimously.

Mr. DENTON. Mr. Speaker, I am strongly in favor of H. R. 8780, to amend the Internal Revenue Code to relieve farmers from the Federal excise tax on gasoline.

During the past two years, I have attended a number of meetings of farmers in my district, and the question invariably came up: "Why are we required to pay the Federal tax on gasoline used in our farm equipment?" They pointed out that the State of Indiana gave a refund to farmers on the State tax that they paid on gasoline used for this purpose, and that it would be only fair if the Federal Government would do the same.

I concluded they were absolutely right, and, for that reason, on March 10, 1955, I introduced H. R. 4795, which provided that the farmer should receive a refund on the Federal tax paid on gasoline used in his farming equipment.

When the Federal gasoline tax was first enacted, farmers were not nearly so mechanized as they are today. Now, farmers use a great variety of motor-driven equipment and buy gasoline to operate this equipment. They are obliged to pay a tax on this fuel just as though the equipment were to be used on the highway, when it is not.

The purpose of the gasoline tax is to require the people who use the roads to pay for their construction, maintenance and upkeep. Practically all transportation on the highways is mechanized, and, by levying this tax on motor-driven highway vehicles, the people who use the roads can be required to pay for them. For the same reason, it is unfair to require the farmer to pay a gasoline tax, which is a road tax, on the gasoline used in equipment on his farm.

The farmers probably felt this tax more keenly at the times I talked with them during this last year because of their present economic plight. The measure now before the House will give the farmer a small measure of relief, but I hope that still further legislation will be enacted which will give him more substantial aid in his present financial difficulties.

Mr. FLYNT. Mr. Speaker, I rise in support of the motion to suspend the rules and pass H. R. 8780, which is a bill to amend the Internal Revenue Code to provide for refunds of gasoline tax paid on gasoline which is used for nonhighway purposes.

The theory of the gasoline tax is and has been that it is levied to provide the means for Federal participation and construction and maintenance of highways. Therefore, it is reasonable to assume that the burden of this tax should be borne by those who use the highways of our Nation. Throughout the United States, including the district and the State which I have the honor to represent, there are many users of gasoline who use varying amounts of gasoline they purchase in farm tractors, track type vehicles, sawmills, harvesting machines and similar farm and industrial equipment.

For a number of years, many States, including the State of Georgia, in their wisdom and judgment, have seen fit to provide for a refund of all or part of the gasoline tax on gasoline which these nonhighway vehicles use.

I have felt that Federal action on this subject is long overdue and I am glad to support this bill today and this motion to suspend the rules and pass it by a two-thirds vote.

Mr. Speaker, I would like to close by adding this note of caution—that this bill is designed to provide a much needed relief. It is not designed to provide a means of defrauding the Government. When this bill becomes law, I hope and expect that the Internal Revenue Service will take the proper measures to see that no portion of gasoline used for highway purposes will be made the subject of a tax refund. If and when abuses of this provision of law are made, I hope and I expect that proper action will be taken against offenders and violators.

I urge a suspension of the rules and passage of H. R. 8780.

Mr. MILLS. Mr. Speaker, as the distinguished chairman of the House Committee on Ways and Means has explained to us, H. R. 8780 would amend the Internal Revenue Code to provide the refund of Federal excise taxes on gasoline to farmers for gasoline used on their farms for farming purposes, and to provide an exemption from the Federal excises imposed on special motor fuels used under similar circumstances. The members of the Committee on Ways and Means have unanimously reported this legislation to the House.

It is estimated that this measure will provide approximately $60 million in tax relief to farmers each year. However, when it is realized that the Treasury Department expects 5 million claims for refund to be filed, pursuant to these amendments to the Internal Revenue Code, the average farmer will not realize great financial benefit from this administration-endorsed tax relief. However, because this proposed tax relief moves in the desired direction of reducing farm operating costs, I am happy to support its enactment.

The administration of these amendments to the Internal Revenue Code by the Treasury Department and the Internal Revenue Service will undoubtedly pose many problems. In my view, they are problems that can be overcome by informed judgment and wisely-prepared regulations. It is my hope that in issuing regulations pursuant to these amendments the Treasury Department will consult with interested farm groups to assure that such regulations are prepared in such a way as to provide for the proper administration of the provisions without providing undue recordkeeping burdens on our farm population.

In citing the existence of administrative problems that will arise under the adoption of these amendments to the Internal Revenue Code, I would like to call the attention of the membership of the House to a statement made by a Treasury official in testifying before a subcommittee of the House Committee on Ways and Means last October. The Subcommittee on Excise Tax Technical and Administrative Problems was receiving testimony on matters within its jurisdiction from Treasury officials, and on the question of granting an exemption from the Federal excise tax on gasoline these officials expressed the following views:

> I outlined for the benefit of the committee at that time the administrative difficulties that exemptions generally give the Service and expressed some concern over the control problems that would be attendant upon an exemption that might be accorded to farmers in the case of the gasoline tax where you were dealing with literally millions of gallons of gasoline each year. I also outlined for the committee the exemption certificate problem, which is burdensome, of course, not only to the Revenue Service but to the taxpayers as well.

While I believe that we have eliminated some of the administrative problems by granting a refund procedure rather than an exemption procedure, I suggest that many such problems still exist and express the hope that the Treasury Department has plans for meeting them.

In view of the fact that the chairman of the Committee on Ways and Means has so ably described the provisions of the bill, I will not undertake to deal specifically with each section of H. R. 8780. However, there are two features of the legislation that I would like to call to the attention of my colleagues in the House. The first of these features pertains to the civil penalty provisions for excessive claims for refund. These civil penalties provided in the bill would impose a penalty of two times of the excessive amount claimed, but not less than $10 in the case of excessive claims that cannot be shown to be due to reasonable cause. It was the opinion of the members of the Committee on Ways and Means that the civil penalties applicable in this case should not be unduly severe in view of the small amounts of refund that will be generally involved and in view of the lack of experience with the provision. Of course, the customary criminal penalties will be applicable in the case of fraudulent claims.

The second feature of the bill that I would like to call to the House's attention relates to the collection of excessive refunds erroneously paid and the collection of any civil penalty that might be imposed. The bill provides that any amount due the Government resulting from either of the aforementioned causes may be assessed and collected as if it were a tax imposed by section 4081 of the code and as if the person who made the claim were liable for such tax. This provision will relieve the Government of the requirement that suit be brought in order to recover any such amount that is owing to the Federal Government.

Mr. Speaker, I have no illusions that this tax relief will be equally available to all farmers. Neither do I anticipate that it will provide a solution to the grave problems confronting our farm economy. I believe it is incumbent upon the Congress as the elected representatives of the people to seek out effective and practical methods whereby the farmer can have restored to him a more equitable portion of our national income. For leadership in that endeavor, we must look to the two great Agricultural Committees of the Congress. It is my hope that before too many months have passed the Congress will have an opportunity to approve legislation that will give encouragement, incentive, and economic promise to our American farm population. In the meantime, I urge my colleagues in the House to support the adoption of H. R. 8780.

Mr. EVINS. Mr. Speaker, in the President's message to the Congress on farm problems and the need for additional farm legislation, the specific recommendation was made to lift the Federal excise tax on gasoline used on the farm for farming purposes.

My distinguished colleague, the chairman of the Ways and Means Committee the gentleman from Tennessee [Mr. COOPER] immediately introduced legislation to relieve the farmers in this regard—however, broadening his bill in order to include in this needed exemption not only tractors, trucks, and similar farm machinery but also to include every possible other source of exemption.

I favor and support this bill—it is only a small step in the direction of giving assistance to the farmers of the Nation—but, under the conditions prevailing, it certainly is a welcome step.

The larger problem remains of writing a bill to deal properly and satisfactorily with the overall farm situation. General relief and a solution to the present situation is vital and remains the major problem. I welcome this—the present step—and commend the chairman and members of the committee for its speedy action to provide relief in this connection.

Mr. HENDERSON. Mr. Speaker, H. R. 8780, when enacted, will provide for a savings of approximately $60 million for the farmers of this country by permitting them to obtain refunds of the Federal gasoline tax on all gasoline used by them in the operation of their farms. My State of Ohio has long exempted its farmers from the payment of the Ohio gasoline tax. Such tax relief has met with favor where the exemption privilege is properly used.

I am especially pleased that this legislation is receiving consideration today because it provides for the enactment of legislation similar to that embodied in H. R. 8683 which I introduced several weeks ago. The bill I introduced provided for exempting the farmer from the payment of the tax at the time of purchase and eliminated the necessity for filling out complicated forms. The bill before us today provides for payment of the tax at time of purchase. The farmer may apply for a refund for the gasoline used exclusively on the farm. Such procedure is designed to prevent abuses of the privilege. Such abuses might occur, but I regret that it is necessary to complicate this measure of relief by making it difficult to obtain the refund.

Mr. Speaker, this legislation marks the first step in enacting President Eisenhower's farm program. I am pleased to see that it is receiving the overwhelming support of my colleagues on both sides of the aisle. I hope that with this as a beginning, the Congress will proceed toward the speedy enactment of additional items in the President's agriculture program.

Mr. QUIGLEY. Mr. Speaker, I endorse this bill and recommend its enactment. H. R. 8780 accomplishes the purposes embodied in a bill, H. R. 5136, introduced by me on March 22, 1955.

This measure is one which will give equity to farmers. My only regret is that it has required an agricultural crisis to bring endorsement by the administration.

Mr. McGREGOR. Mr. Speaker, I am most happy to add my support and vote to H. R. 8780 which relieves farmers from excise taxes in the case of gasoline and special fuels used on the farm for farming purposes. I was most happy when President Eisenhower in his state of the Union message insisted that the Congress pass this legislation immediately and bring some semblance of relief to the farmers.

I sincerely hope that the Agriculture Committee will start hearings immediately on the other portions of the President's recommendations to give relief to agriculture groups. I hope that the committee will forget politics and recognize that the farmers need immediate help. I feel certain that this Congress is in accord with most of the President's recommendations to give immediate relief to the agriculture people.

Mr. O'HARA of Minnesota. Mr. Speaker, it is my intention to support H. R. 8780 and to vote for its passage. The time is long past due for making exempt from the Federal gasoline tax, the gasoline that is used solely on the farm for farm purposes, and I am glad to see that President Eisenhower's recommendation for removal of this tax has been so promptly acted upon by the Ways and Means Committee.

It is true that the amounts may not be large, but at this time with the farm situation what it is, it will be of help to the average farmer.

I sincerely hope further and greater consideration will be given to the other farm problems by the Congress in the near future.

Mrs. FRANCES P. BOLTON. Mr. Speaker, may I take this opportunity to express my strong support of H. R. 8780, the bill before us to relieve farmers of the burden of the Federal excise tax on gasoline and special fuels used on farms for farming purposes.

For the past several years, the farmer has seen the prices of everything he produces decline, whereas the costs of the articles he must buy have been steadily rising. But there is a way we can help him. This is by giving him relief from the 2 cents a gallon tax presently imposed on the gasoline he uses on his farm, as provided in H. R. 8780.

This bill provides also for annual refunds payable directly to the farmer for the Federal tax he pays on the gasoline and special fuels he uses for farming purposes. Adequate safeguards are provided against excessive claims by section 3 of the bill. Should a claim for a gasoline refund be excessive, a civil penalty may be imposed unless it can be shown that the claim for the excessive amount is due to reasonable cause.

Mr. Speaker, although I have very few farmers in my present district, I do sympathize with the farmer whose problems are many. I hope sincerely that the rules will be suspended and H. R. 8780 passed.

Mr. COOPER. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on suspending the rules and passing the bill.

Mr. COOPER. Mr. Speaker, on that I demand the yeas and nays and I ask unanimous consent that further consideration of the bill be carried over until tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 352) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That, effective January 3, 1956, expenses of conducting the investigations authorized by section 17 of rule XI of the Rules of the House of Representatives, incurred by the Committee on Un-American Activities, acting as a whole or by subcommittee, not to exceed $275,000, including expenditures for employment of such experts, special counsel, investigators, and such clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by said committee and signed by the chairman of the committee, and approved by the Committee on House Administration.

SEC. 2. That the official stenographers to committees may be used at all hearings, if not otherwise officially engaged.

The SPEAKER. The question is on the resolution.

Mr. JACKSON. Mr. Speaker, on that I demand the yeas and nays.

Mr. COOPER. Mr. Speaker, I ask unanimous consent that further consideration of the resolution be carried over until tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 355) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of further conducting the studies and investigations authorized by House Resolution 22 of the 84th Congress, incurred by the Committee on the Judiciary, acting as a whole or by subcommittee, not to exceed $125,000, including expenditures for the employment of experts, special counsel, clerical, stenographic, and other assistants, and all expenses necessary for travel and subsistence incurred by members and employees while engaged in the activities of the committee or any subcommittee thereof, shall be paid out of the contingent fund of the House on vouchers authorized by such committee and approved by the Committee on House Administration.

With the following committee amendment:

Page 1, line 5, strike out "$125,000" and insert "$100,000."

The committee amendment was agreed to.

The resolution was agreed to, and a motion to reconsider was laid on the table.

COMMITTEE ON HOUSE ADMINISTRATION

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 359) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That, in carrying out its duties during the 84th Congress, the Committee on House Administration is authorized to incur such expenses (not in excess of $10,000) as it deems advisable. Such expenses shall be paid out of the contingent fund of the House on vouchers authorized and approved by such committee, and signed by the chairman thereof.

Mr. MARTIN. Mr. Speaker, if the gentleman will yield, I understand this money is needed for a survey that the committee desires to make relative to various activities.

Mr. BURLESON. As a matter of fact, it is very doubtful that the Committee on House Administration will need these funds to any greater extent than the payment of telephone and telegram services. However, it is anticipated that a subcommittee on campaign expenditures will be selected within the Committee on House Administration. The gentleman will recall that for some years this special committee has been outside the Committee on House Administration. We propose that the subcommittee shall be a part of the full committee, and therefore we anticipate the possible use of these funds.

Mr. MARTIN. I thank the gentleman.

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

STATIONERY ALLOWANCE

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I ask unanimous consent for the immediate consideration of the bill (H. R. 8787) to provide for a prorated stationery allowance in the case of a Member of the House of Representatives elected for a portion of a term.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the case of any Member of the House of Representatives, Delegate, or Resident Commissioner who is elected for a portion of a term, the amount of stationery allowance which such Member, Delegate, or Resident Commissioner shall be paid shall be an amount, with respect to the year in which he commences his service, which is the same percentage of the total stationery allowance payable for service for all of such year as the number of months of his service in such year (counting the month in which he is elected as one month) is of the total number of months in such year. Such prorated stationery allowance shall be paid from the contingent fund of the House into the revolving fund for stationery allowances established in the eighth paragraph under the heading "Contingent Expenses of the House" under the general heading "House of Representatives" in the Legislative Branch Appropriation Act, 1948.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE PATTERN OF GATT

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. BAILEY] is recognized for 40 minutes.

Mr. BAILEY. Mr. Speaker, high on the agenda of Congress for 1956 is the question of United States participation in the Organization for Trade Cooperation, part of the international General Agreement on Tariffs and Trade. Few people in this country are familiar with the mass of documents which make up the General Agreement. Fewer still fully appreciate its effect on the economy of the United States. Here, as an introduction, is a brief review of GATT and a preview of OTC. It is being offered for the information of my colleagues.

The General Agreement on Tariffs and Trade, called GATT, is a sweeping accord provisionally accepted by 35 nations, including the United States, for the regulation of international trade. It affects the market for nearly every product grown, mined, or manufactured in any of the participating nations, from wheat and steel to toy balloons. Decisions taken at GATT headquarters in Geneva can and do control the prosperity of people as far away as the borders of Pakistan—or Middletown, Ohio.

ORIGIN

In 1946 the United Nations Economic and Social Council called a meeting of nations to establish an International Trade Organization. Its purposes were broad—to achieve, by better regulation of international trade, full employment, and rising standards of living throughout the postwar world.

ITO, as the project was called, failed. Nearly every major organization in the United States opposed it. The American Bar Association said:

> The charter has more the appearance of a world government constitution than that of a specialized agency of the United Nations.

Among its aims, however, was the liberalization of international trade. This persisted. In 1947, with the United States State Department taking the lead, delegates from 23 nations met in Geneva to negotiate a general reduction of tariffs and work out rules concerning other forms of trade control—quotas, currency restrictions, state trading, and so forth.

GATT was the outcome. By no means simple to begin with, GATT has been extensively amended and revised at subsequent meetings, notably at Annecy, France, in 1949, at Torquay, England, in 1950-51 and again at Geneva in 1955. Three of the original member nations—Syria, Lebanon, and China—have dropped out. Liberia, which was the first and only nation to accept GATT otherwise than provisionally, has also withdrawn. Fifteen others, including Germany and Japan, have joined. The present contracting parties are: Australia, Austria, Belgium, Brazil, Burma, Canada, Ceylon, Chile, Cuba, Czechoslovakia, Denmark, Dominican Republic, Federation of Rhodesia and Nyasaland, Finland, France, Germany, Greece, Haiti, India, Indonesia, Italy, Japan, Luxembourg, Netherlands, New Zealand, Nicaragua, Norway, Pakistan, Peru, Sweden, Turkey, Union of South Africa, United Kingdom, United States of America, and Uruguay.

PATTERN

Contrary to popular impression GATT is rather a collection of documents than one text. It includes:

First. A series of lengthy schedules, one for each country, listing the tariff concessions agreed to by that country.

More than 60,000 concessions have now been negotiated by the participating nations. In GATT language, a "concession" can mean either an actual reduction in rate or a binding—that is, a promise not to change an existing rate.

Most of the concessions granted by the United States represent actual reductions. A great many of those granted by other countries are simple bindings. In a few cases, due to special circumstances, the schedules actually include increases in rates.

Few people in this country outside the State Department have seen a complete set of the schedules. They are bulky, occupying 5 large volumes, with a total of approximately 3,000 pages. Copies may be obtained in the United States only through the international documents service, Columbia University Press, 2960 Broadway, New York 27, N. Y., at $15 per set.

Second. An elaborate text describing the objectives of GATT and spelling out comprehensive rules, with many complicated exceptions, concerning the regulation of trade in general.

The participating nations, called contracting parties, agree they should conduct their relations in the field of trade and economic endeavor with a view to raising standards of living, insuring full employment and a large and steadily growing volume of real income and effective demand, developing the full uses of the resources of the free world and expanding the production and exchange of goods, and promoting the progressive development of the economies of all the contracting parties.

The contracting parties propose to contribute to these objectives, which reflect the objectives of ITO, by accepting an impressive body of rules. These in general terms provide for the further reduction of tariffs, the elimination of other forms of trade restrictions, and equal treatment by each member country for imports from and exports to other member countries.

But these rules are surrounded by a multitude of exceptions, decisions, waivers, and interpretations. It is impossible to understand the real effect of GATT without examining closely all this supplementary material.

Example 1: Article II flatly requires each member country to treat trade with all other member countries on exactly equal terms. The next section, however, excepts the vast British empire-preference system, the French system of preferences for colonial and former colonial area, the Benelux Customs Union, the special arrangements in effect between the United States and Cuba, and so forth. By a rough estimate, more than half of the trade covered by GATT is affected by these and related exceptions.

Example 2: Article XI flatly forbids the use of quotas or any other form of quantitative restriction to limit imports. The same and other articles, however, authorize the use of extensive quota systems by countries in balance-of-payments difficulties, by underdeveloped countries, and, with respect to agricultural and fisheries products, where domestic production is controlled at the same time.

Nearly every member country except the United States faces balance-of-payments difficulties or is underdeveloped or both. The United States itself employs quotas in the case of various agricultural products, including, by special waiver, dairy products not subject to domestic controls.

While exact figures are hard to get, it is a safe guess that less than one-third of the trade covered by GATT actually moves free of quotas or other quantitative restriction.

These are called the substantive provisions of GATT. As published in GATT's Basic Instruments and Selected Documents, they now run to more than 800 pages, including various reports on which important decisions, waivers and interpretations are based. Copies of the Basic Instruments and Selected Documents may be obtained in the United States only through the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N. Y.

Note: Although primarily concerned with foreign trade, the rules affect also domestic policies which impinge on foreign trade. Certain features of the United States farm price support program, for example, conflict with GATT rules. In this case the State Department obtained a waiver—on condition, however, that we change the program as soon as circumstances permit.

Third. A form of charter for a proposed Organization for Trade Cooperation, called OTC.

Many of GATT's rules call for decision in specific cases by the contracting parties acting jointly, by either majority or two-thirds vote. Problems of interpretation and other disputes are handled in the first instance by consultation among the parties concerned. If that fails, or if a question of precedent is involved, the contracting parties decide, usually by majority vote. The contracting parties may also, by two-thirds vote, waive the rules in exceptional circumstances.

In the past such questions have usually been settled at general meetings, as part of general negotiations about tariff rates and other matters. At the 1955 meeting, however, it was proposed to vest these and related powers in a permanent Organization for Trade Cooperation, or OTC. The Organization would consist of an assembly representing all the members of GATT, with 1 vote each. Thus the Grand Duchy of Luxembourg, with 300,000 population and foreign trade worth considerably less than $1 billion, will have the same voice as the United States, with a population of 162 million and foreign trade worth $40 billion.

The assembly will work through a 17-member executive committee. Routine affairs will be administered by a director general and staff.

Great controversy has developed about OTC. GATT itself is only provisionally accepted, and, so far as the United States is concerned, has never been approved by Congress. It is jumping the gun, critics say, to establish a quasi-judicial agency before the agreement it will administer is firm. They fear that by the temptation to interpret GATT in terms of the broad objectives borrowed from ITO, the new organization will rapidly assume direct control of international trade, allocating markets and raw materials. And they stress that in OTC the United States would have only one vote or possibly, if party to a dispute, none.

The proposed charter for OTC appears in volume I —revised—of GATT's Basic Instruments and Selected Documents, mentioned above. For a complete picture, however, this has to be read with the text of GATT itself, which delegates to OTC many powers not specified in the charter. Here are a few examples of questions with which OTC would be concerned:

(a) What proportion of a country's market should be supplied by imports? See GATT, section 2, article XI.

(b) How the import share of the market should be divided among the supplying countries? See GATT, section 3, article XIII.

(c) What is a country's fair share of the world's export market in a particular product? See GATT, section 3, article XVI.

(d) Which countries are underdeveloped or in balance of payment difficulties, and thereby entitled to special exemptions from GATT's rules? See GATT, articles XVIII and XII.

(e) What is a country's fair share of raw material or other products in short supply? See GATT, section 1 (j), article XX.

(f) In July 1955 the contracting parties to GATT published a report, which OTC would inherit, admonishing industrial nations like the United States to concentrate on manufactures, leaving the production of foodstuffs to underdeveloped nations. See GATT Report on International Trade, July 1955, pages 21–31.

WHERE GATT STANDS

Much of the current publicity about GATT implies that it is a fully effective going concern. So it is for some purposes, particularly for the purpose of sponsoring tariff reduction negotiations and registering the concessions agreed upon. Otherwise, however, its position is unclear.

GATT NOT SUBMITTED TO CONGRESS

Although it has been in operation for 8 years, GATT has never been submitted to Congress. The State Department maintains that the Trade Agreements Act of 1934, as amended and extended, authorized it to accept GATT, at least provisionally, without coming back to Congress for ratification. In each extension of the act since GATT was signed Congress, however, has provided that the extension should not be read to imply either approval or disapproval of GATT.

OTC NOW BEFORE CONGRESS

By a bill styled H. R. 5550, Congress has been requested to approve United States participation in OTC. This bill is scheduled for consideration early in this session. It is expected that in connection with this bill Congress will examine the substantive provisions of GATT as well as the organizational provisions of OTC.

The issues raised by GATT and OTC have long been coming to a head. Now Congress is confronted by a clear-cut choice. The decision will have far-reaching effect on the prosperity of the United States and the free world for years to come. It is of vital importance for the press and the public to know the essential facts about GATT and the problems it raises as well as those it hopes to cure.

GATT's rules govern commerce among 35 nations. These include nations as different as the United States and the Federation of Rhodesia and Nyasaland. Even Communist Czechoslovakia is a member. Trade between these nations, which have a combined population of more than 1 billion persons, exceeds $100 billion per year.

Covering so vast a range, GATT's rules are necessarily complicated. GATT's Basic Instruments and Selected Documents, which set forth the rules, their exceptions and the multitude of decisions, interpretations, and waivers which have grown up around them, now run to more than 800 pages, with more to come. All references herein are to the 1955 revised version of GATT, as printed in volume I—revised—of these documents.

But, despite this complexity, the rules generally reveal a fairly simple pattern. GATT's announced objective is to liberalize trade by reducing tariffs and other barriers and eliminating discriminatory treatment in international commerce. After establishing elaborate machinery for reducing tariffs, GATT proceeds to (a) condemn other methods of regulating trade—e. g., preference systems, quotas, subsidies, and exchange restrictions; (b) permit the use of such methods in so-called special circumstances, subject to agreement by other contracting parties and, if OTC is approved, supervision by OTC; (c) establish procedures for obtaining such agreement, referring disputes to OTC, and so forth.

By condemning most existing methods of control, and permitting them to continue only to the extent approved by OTC, GATT and OTC acquire an unprecedented jurisdiction over the right of otherwise free nations to regulate trade. This jurisdiction is not unlike that asserted by the court in an antitrust consent decree. By such decree the defendant admits he has been living in sin, promises to reform and, while reforming, keeps his conduct subject to continuing supervision by the Antitrust Division of the Department of Justice and the court. In this case GATT is the consent decree and OTC the Department of Justice.

TARIFFS

Tariffs are generally regarded as the fairest method of regulating imports. In the United States the rates generally are the same for all competing suppliers. They are in most cases designed primarily to offset low wages or other special advantages enjoyed by foreign producers.

By GATT, however, it is assumed that existing rates among member nations are too high. Accordingly, a basic article of the agreement, article XXIX, binds participating nations to negotiate tariff reductions at regular intervals, as sponsored by OTC. At the heart of the agreement is the concept that, once cut, a tariff rate should never again be raised, and should be subject to further reductions.

Various important exceptions to this rule are allowed—for example, in the event imports enter in such increased quantities as to threaten serious injury to domestic producers, or in case an increase is necessary to protect infant industries in an underdeveloped nation. But these exceptions are available only at a price. The Government seeking to change a rate must either work out a compensating reduction in some other rate or, if that cannot be agreed, face compensatory action by the other party or parties concerned—see particularly article III; section A, article XVIII; and articles XIX and XXVIII.

In 1952, for example, because dried figs were entering the United States in damaging volume, the President raised the duty on dried figs from 2½ cents to 4½ cents per pound. Thereupon Turkey, with the tacit consent of the other parties to GATT, raised her rate on office equipment and milling machinery. Greece, with no rates she wanted to raise, formally requested the United States either to return to the 2½-cent rate or, failing that, reduce rates on other products Greece was selling in the United States market. It took 3 years to work out a solution.

If OTC is approved, the problem of determining appropriate compensation in such cases will become its responsibility, to be decided by majority vote.

TECHNIQUE OF FUTURE REDUCTIONS

GATT recognizes that various countries—including the United States—have already reduced tariffs to such an extent that they have lost bargaining position. Section 2 of article XXIX therefore provides that "the binding against increase of low duties duty-free treatment shall, in principle, be recognized as a concession equivalent in value to the reduction of high duties."

In a further effort to solve this dilemma, a GATT working party has proposed an automatic reduction of duties by each country according to algebra, by the following formula:

$$\times \text{(percent reduction for each nation)} = 30\% \times \frac{N-P}{D-P}$$

in which N equals the average incidence of present rates (as determined by a separate formula), D equals a demarcation line above which rates should not remain (as determined by another formula) and P equals the floor below which rates do not have to be cut (as determined by still another formula).

Such a formula would represent a complete departure from the product by product method of bargaining pursued to date.

DISCRIMINATION

For reasons often deeply rooted in history many nations extend special trade favors to closely related other nations. England, for example, maintains an extensive empire preference system. France maintains a similar system with respect to her colonies and former colonies. By the Benelux Customs Union Belgium, the Netherlands and Luxemburg accept imports from each other more freely than from the rest of the world. The United States has a special arrangement for preference rates on imports from Cuba and the Philippines.

GATT is opposed in principle to such discriminations. Article II flatly requires each member country to treat imports from each other member country exactly alike. Numerous other articles reflect this same principle—for example, article XIII.

These rules, however, are so far removed from actual practice that sweeping exceptions are necessary. Special provision, for example, is made for the British Empire preference system, and for the French system, provided the margin of preference is not increased—section 2, article II. Customs unions like Benelux are actually encouraged—article XXIV. The arrangements between the United States and Cuba and the Philippines are permitted to continue—article II, section 2 (b) and (c). General exceptions for countries in balance of payment difficulties and underdeveloped countries are allowed—article XIV.

MOST OF THESE EXCEPTIONS ARE CONDITIONAL

GATT now in most cases reserves the right to determine whether or not a country meets the terms of a claimed exception and is observing the conditions prescribed. If not, the country in question must either change its laws to conform to the nondiscrimination principle or face such compensatory action by other members as GATT—or OTC—may authorize. If there is a dispute among the countries affected, GATT—or OTC—decides.

FAVORS TO OWN PRODUCERS

Except for tariffs, GATT does not as a general rule allow a member country to discriminate against imports in favor of its own producers. Article IV, for example, forbids taxes on imports in excess of those applied to domestic products, freight rates which work to the disadvantage of imports, regulations requiring a specified minimum content of domestic materials in commercial mixtures, and the like.

These rules permit few exceptions. This explains in part why GATT has been accepted only provisionally. The United States, for example, imposes special taxes on imported oleomargerine, inedible fats and oils of foreign origin, certain imported seeds, and various kinds of imported lumber and sugar. It also imposes more stringent regulation on importers than on domestic producers in connection with antitrust, unfair trade practice and misbranding laws, and so forth. Congress must repeal or modify these and other laws in conflict with GATT rules before the United States can accept GATT definitively.

PRICE CONTROL

By section 9 of article IV the contracting parties formally recognize that domestic price control systems can have effects prejudicial to the interests of contracting parties supplying imported products. Accordingly each country, including the United States, agrees that in applying any price control measures it will take account of the interests of other member countries with a view to avoiding to the fullest practicable extent such prejudicial effects. To what extend OTC may intervene in the event of dispute in such case is not clear.

QUANTITATIVE RESTRICTIONS

Nearly every nation, including the United States, limits in varying degrees, by quota or otherwise, the quantities of various foreign products it will accept.

The reasons are threefold—to reserve foreign exchange for the purchase of products deemed essential; to prevent imports in volume at prices which would defeat domestic control programs—price supports, production controls, and so forth; to reserve the bulk of the market for domestic producers.

These restrictions do not always apply equally to imports from different countries. Since the war, for example, the countries of Western Europe have restricted imports from hard currency areas more severely than those from soft currency neighbors.

Various countries also restrict exports. The reasons vary, for example, to relieve shortages at home or prevent the flow of strategic materials to potential enemies. Again the restrictions do not always apply equally. Many nations, for example, employ such restrictions to channel exports to dependent markets or to markets in which they can earn dollars.

GATT, by section 1, article XI, flatly forbids the use of quantitative restrictions. By section 2 of the same article, however, and by following articles, many sweeping exceptions are allowed. These permit, among other things, the use of such restrictions if and as necessary (a) to enforce measures which similarly restrict domestic production or sale of like products—limited to agricultural and fisheries products—section 2 (c) (i) article XX; (b) to forestall a serious decline in foreign exchange reserves or, in the case of countries with very low reserves, to achieve a reasonable increase—article XII; (c) to protect infant industries in underdeveloped countries—article XVII.

The responsibilities of OTC in connection with these exceptions are formidable. In the case of (b) and (c) it exercises over the country claiming exception the kind of consent decree jurisdiction mentioned earlier. If other countries claim to be adversely affected, OTC convenes them into a general consultation to work out a settlement. If that fails, OTC may, by majority vote—in some cases two-thirds—recommend a plan. If the country claiming the exception refuses to accept this plan, OTC may then release the other countries affected to take whatever compensatory action OTC decides is appropriate.

The extent of these powers, particularly as they apply to smaller nations, is illustrated by Ceylon's case. Ceylon, as an underdeveloped country, wanted to encourage its handloom-textile industry. It could not do so in face of mass-production competition from the rest of the world, particularly India. It therefore proposed to limit imports according to a formula which would reserve a specified proportion of the estimated market for its own producers.

A working party looked over Ceylon's plan, which literally spelled out by the yard the quantity of sarongs, undershirts, cotton lace, and so forth, it wanted to produce. Ceylon was induced to agree to use only domestic raw materials. Subject to this proviso, the working party agreed the plan was fair.

But if a dispute had developed, GATT would have found itself in the position of imposing specific controls on Ceylon and dictating, by the vote of other nations, the course of Ceylon's economic development.

Exception (a) precipitated a difficult problem for the United States. Most of our farm price support program meets the terms of the exception. With respect to various dairy products, however, we support the market by Government purchase, without corresponding domestic production controls. The lack of production controls ruled dairy products out of the exception. Yet without quotas there was no way to keep imports attracted by the high support prices from flooding in and wrecking the purchase program.

The State Department finally obtained a special waiver, subject, however, to the following conditions: (a) the United States will give due consideration to objections or suggestions voiced about the quotas by other member countries; (b) will remove each quota as soon as conditions permit; (c) will report progress once a year and, if any quota then remains on any farm product—whether covered by the waiver or not—explain why and describe steps being taken to solve the problem—decision of March 5, 1955, Basic Instruments and Selected Documents, Third Supplement, page 32.

Meanwhile the Netherlands was authorized, by way of compensation, to reduce its quota for wheat from the United States from 72,000 metric tons to 60,000 metric tons per year.

SUBSIDIES

GATT provides that if any member nation maintains any subsidy which directly or indirectly reduces imports or increases exports it will notify OTC and discuss with other member nations "the possibility of limiting the subsidization."—Article XVI.

What happens if discussion fails?

Article XXIII provides that, if any member country considers that action by another member country is either, first, impairing "any benefit accruing to it directly or indirectly under this agreement"; or, second, impeding any objective of this agreement, the matter may be referred to OTC. This presumably includes any form of subsidy which gives domestic producers any special advantage in either the home or export market, and any form of subsidy which, by artificially stimulating production in one country, retards the progressive development of the economies of other countries—article I. Since subsidies take many forms, including special freight rates, government contracts, tax advantages, et cetera, this exposes to scrutiny each country's entire fiscal and economic policy.

Exception for primary products: GATT permits but advises against the use of export subsidies to move primary products—wheat, cotton, mine products, and so forth. But it expressly forbids the application of any subsidy on a primary product in a manner which results in capture of more than an equitable share of the world export trade in that product—article XIV—presumably, in case of dispute as to what is an equitable share, GATT—or OTC—decides. This provision seriously complicates the problem disposing of the huge farm surplus—$7 billion worth—now held by the United States Government.

Other products: With respect to products other than primary products, GATT forbids, as from January 1, 1958, subsidies in any form which result in sales for export at prices lower than those prevailing in the domestic market. Meanwhile it forbids member countries to increase any existing such subsidies—article XIV.

EXCHANGE RESTRICTIONS

Soft currency countries habitually employ exchange controls which affect trade with other countries. By assigning different exchange rates for different transactions, these controls frequently provide special incentives for imports and exports of the kind the Government desires. They can thus work to dilute many of GATT's basic principles, including the value of tariff concessions negotiated under GATT auspices.

To check this, GATT requires each member either to join the International Monetary Fund, which purportedly is attempting to eliminate exchange controls, or enter into a special exchange agreement with OTC. The effect is to establish, either by the International Monetary Fund or the special agreement, a par value for each member country's currency in terms of gold or 1944 dollars. Thereafter no country is allowed to change this par, or buy or sell gold or the currency of other member countries at any other rate, except as permitted by the International Monetary Fund or the special agreement.

The exceptions, however, are numerous. As with other GATT rules, OTC assumes jurisdiction if an exception is claimed. For example, if a change substantially affects the value of tariff concessions previously negotiated, any member nation affected may request compensation and, if necessary, take the case to OTC for decision.

In this way OTC is in a position to acquire extensive authority, mainly indirect, over the monetary policy of every member nation—see section 3, article III, articles XV and XXIII, and model special agreement, Basic Instruments and Selected Documents, volume II, page 115.

AMENDMENT

Amendments to the first three articles, concerning objectives, most-favored nations treatment, and the schedules of tariff concessions, must be unanimous.

Amendments to the remaining articles, which spell out many of the most important obligations, may be taken by two-thirds vote. But an objecting member may either withdraw entirely from GATT or, if OTC consents, remain a member without accepting the amendment. In the latter case, OTC could presumably impose special conditions as the price of consent.

WITHDRAWAL

Any member may withdraw now, while GATT is only provisionally accepted, on 60 days' notice. If and when GATT is definitively accepted, 6 months' notice will be required. But withdrawal from this highly complicated arrangement, after it might be definitively accepted, could be very costly.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I will say to the gentleman from West Virginia [Mr. BAILEY] that I appreciate the statement he has made and I shall read with very much interest the remarks he has offered for the RECORD. If this ITO organization is what I think it is, from what I have been able to learn about it, I shall be with him all the way in this fight.

Mr. BAILEY. Mr. Speaker, I suggest to the gentleman that he read the article that I am presenting for the RECORD under this special order.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. First to commend the gentleman from West Virginia for his continued effort in oppositoin to GATT which in my opinion is nothing more than an extension of the reciprocal trade agreements. I would like to read a partial list of agricultural trade and industrial organizations or associations along with individual companies with investments and operations in Pennsylvania, which filed protests with congressional committees in Washington in 1955 against the damage, injury and threats to their American enterprises, by the competition in American markets from cheap foreign imports:

National Board of Fur Farm Organizations.

American Mining Congress.

National Coal Association.

Anthracite Institute.

Zinc Industry, by Otto Herres, mining engineer.

Pennsylvania Grade Crude Oil Association.

Bradford District Pennsylvania Producers Association.

Southwestern Pennsylvania Producers Association.

National Dairy Industry.

National Milk Producers Association.

Association of Cocoa and Chocolate Manufacturers of the United States: Bachman Chocolate Manufacturing Co., Mount Joy; Blumenthal Bros. Chocolate Co., Philadelphia; Hershey Chocolate Co., Hershey; Klein Chocolate Co., Elizabethtown; Wilbur-Suchard Co., Lititz.

United States Beverage Distilling Industry.

Wine Institute.

Wines Association of Pennsylvania.

Mushroom Growers Cooperative Association.

Brandywine Mushroom Corporation, West Chester.

National Association of Green House Vegetable Growers.

National Apple Institute.

American Cotton Manufacturers' Institute, Inc.

National Association of Wool Manufacturers.

National Association of Cotton Manufacturers.

The Underwear Institute.

The Philadelphia Wool and Textile Association.

National Association of Blouse Manufacturers, Inc.

American Lace Manufacturers Association.

North American Lace Co., Philadelphia.

Tufted Textile Manufacturers Association.

Textile Fabrics Association.

National Knitted Outerwear Association.

Carpet Institute.

American Viscose Corp., Meadville.

Cordage Institute: Edwin H. Fitler Co., Philadelphia; Thomas Jackson & Sons, Reading; Rinek Cordage Co., Easton.

Card Clothing Manufacturers Association: Benjamin Booth Co., Philadelphia.

National Association of Finishers of Textile Fabrics.

Soft Fibre Manufacturers' Institute: Hanover Cordage Co., Hanover; Thomas Jackson & Sons, Reading; Lehigh Spinning Co., Allentown; Ludlow Manufacturing Sales Co., Allentown; Revenah Spinning Mills, Hanover; Schlichter Jute Cordage Co., Philadelphia.

The Twisted Jute Packing and Oakum Institute.

Silk and Rayon Printers and Dyers Association of America, Inc.

The Thread Institute.

The Woven Woolen Felt Industry: Philadelphia Felt Co., Frankford.

The Hat Institute.

The Wool Hat Manufacturers' Association.

John B. Stetson Co., Philadelphia.

Hardwood Plywood Institute.

The Wall Paper Institute.

Printing Industry of America, Inc.

The Book Manufacturing Institute.

Manufacturing Chemists Association, Inc.

Synthetic Organic Chemical Manufacturers' Association.

American Cyanamid Co., Inc.

Rubber Manufacturers Association (footwear division).

National Authority for Ladies Handbag Industry.

American Fabric Glove Association.

Pittsburgh Plate Glass Co., Pittsburgh.

American Glassware Association.

United States Potters Association.

Vitrified China Association, Inc.

Shenango Pottery Co., New Castle, Pa.

Tile Council of America.

The Pin, Clip, and Fastener Associatiton.

Delong Hook & Eye Co., Philadelphia.

Industrial Fasteners Institute.

The Industrial Wire Cloth Institute.

United States Wood Screw Service Bureau.

Talon Co., Meadville, Pa.

The National Machine Tool Builders Association.

Landis Tool Co., Waynesboro.

S. Morgan Smith Co., York and Philadelphia.

Rockwell Manufacturing Co., Pittsburgh.

Rockwell Spring & Axle Co., Coraopolis.

Electrical Machinery Industry.

Westinghouse Electric Corp., Pittsburgh, East Pittsburgh, Beaver, Essington, Sharon, Sunbury, and Trafford.

General Electric Co., Philadelphia and Erie.

McGraw Electric Co., East Stroudsburg.

Pennsylvania Transformer Co., Canonsburg.

National Electric Products Co., Ambridge.

Pacific Electric Manufacturing Co., Scranton.

Proctor Electric Co., Philadelphia.

Stackpole Carbon Co., Kane, Johnsonburg and St. Marys.

Syntron Co., Homer City and Blairsville.

Allis-Chalmers Manufacturing Co., Pittsburgh.

Elliott Co., Jeannette and Ridgway.

Okonite Co., Wilkes-Barre.

Air Products Co., Emmaus.

National Electrical Manufacturers Association (telephone equipment section).

Western Electric Co., Inc.

High-voltage Electrical Porcelain Insulator Industry.

The Bicycle Institute of America, Inc.

Manufacturers of Optical and Ophthalmic Glass, Lenses and Instruments.

American Optical Co.

Scientific Apparatus Makers Association.

H. B. Instrument Co., Philadelphia.

National Association of Photographic Manufacturers, Inc.

American Watch Manufacturers Association, Inc.

Hamilton Watch Co., Inc., Lancaster.

The Toy Manufacturers of the United States: Girard Manufacturing Co., Girard; Louis Marx Co., Inc., Erie; H. L. Moore Co., Cochranton.

Lead Pencil Manufacturers Association, Inc.

Fountain Pen and Mechanical Pencil Manufacturers Association, Inc.

Insulation Board Institute.

Pennsylvania Railroad Co.

These businesses are fighting for their economic existence against foreign competition which is responsible in a marked degree for the unemployment we have in our labor surplus areas.

Mr. BAILEY. The gentleman from Pennsylvania is exactly right.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. HOFFMAN of Michigan. Because I have a high regard for the gentleman's ability and the soundness with which he usually speaks and his knowledge of his subject, I certainly will read what the gentleman has had to say, but I am asking now, Is the purport of the gentleman's talk along the thought that we should take care of our own people first?

Mr. BAILEY. Certainly. The purport of my talk is that we should not, without careful consideration, give up our constitutional guaranties; the Congress has to control these matters, not to surrender to the executive department, which in turn would surrender to a group in Geneva in which we will have 1 representative out of 34.

Mr. HOFFMAN of Michigan. The gentleman said, "surrender to the executive department." I assume the gentleman goes far enough to oppose any surrender to the judicial branch, too?

Mr. BAILEY. Certainly.

Mr. HOFFMAN of Michigan. Where they overrule us and tell us what we should have said.

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

COLONIAL WILLIAMSBURG AND SIR WINSTON CHURCHILL

The SPEAKER pro tempore (Mr. STAGGERS). Under previous order of the House, the gentleman from New Jersey [Mr. AUCHINCLOSS] is recognized for 10 minutes.

Mr. AUCHINCLOSS. Mr. Speaker, a historic event was held in Drapers' Hall in London, England, on December 7, 1955, when Mr. Winthrop Rockefeller presented the Williamsburg award to that great citizen of the world, Sir Winston Churchill. This was the first Williamsburg award to be presented, it being a town crier's bell made by craftsmen now living in Williamsburg and representing a symbol of the people's vigil.

I wish it were within my power to describe the significant beauty and glory of Williamsburg and at the same time explain its sanctity to Americans. Indeed, it is holy ground because the precepts and principles of liberty and human dignity which ever since have had such an influence in the minds of men all over the world were conceived and born there.

From 1699 to 1780 Williamsburg was the capital of the Virginia colony, a period of 81 years of great importance to our Nation. It was the center of the cultural as well as the political life in the Colonies and ranked high with Boston, Philadelphia, and New York. It was a meeting place for such great Americans as George Washington, Patrick Henry, George Wythe, Thomas Jefferson, George Mason, and other illustrious men who shaped the destinies of our Republic. Here Patrick Henry made his Caesar-Brutus speech and submitted his resolution in defiance of the Stamp Act. Here, George Mason drew up the Virginia Declaration of Rights. Here on May 15, 1776 the resolution for independence was drafted which led directly to the decision of July 4, and at this place Thomas Jefferson's Statute for Religious Freedom was introduced. Truly, Williamsburg was the birthplace of all we hold precious and most dear.

Let me quote briefly from an outstanding address given by Dr. Grayson L. Kirk, president of Columbia University, entitled "Religious Liberty: Man's Link to Man," delivered on May 15, 1955, on the occasion of the prelude to independence period held annually at Williamsburg:

> To all Americans, Williamsburg is more than a city in which generosity and imagination have combined to recreate the stately beauty of a bygone century. This is one of the great shrines, not only to American but of human liberty. It is to the shrine, rather than to the city, that we bring our tribute and our gratitude today.
>
> A hundred and seventy-nine years have passed since the men of Virginia met here and set forth their views concerning the natural and proper order of society. The immediate effect of their work was made manifest in Philadelphia a few weeks later when all the Colonies joined in that historic declaration which elaborated the Williamsburg document. The lasting effects of their courage are still with us today and indeed with the peoples of the world wherever the freedoms of mankind have found constitutional expression. It is not too much to say that millions of men who have never heard of Williamsburg now live safer, happier, and

better lives because of what was said and done here.

The men who met here had more than courage and determination. They had vision. And men must have both if they are to build for the future. Courage without vision may be blind. Vision without courage may be impotent in the face of opposition. The two, in combination, are likely to be irresistible.

Let us remember that these leaders were men of substance. Their cultural ties with Georgian England were close. They were no less vulnerable than many of their fellow colonists to England's commercial and fiscal policies. One might have thought that they would have had much to lose and little to gain from revolutionary adventure. But because they had vision and principle they did not seek to buy economic protection at the price of political servitude.

These men did not believe that there was any virtue in the chaos of anarchy. They believed wholeheartedly in the principle that liberty derives from orderly and just government. They insisted that such a government should rest upon the consent of the governed, and they held with equal conviction and passion that the individual citizen enjoys by natural inheritance certain fundamental rights which no government, however constituted, can legitimately invade. Thus it was that the final resolution of May 15, 1776, ordered that "a committee be appointed to prepare a declaration of rights, and such a plan of government as will be most likely to maintain peace and order in this colony, and secure substantial and equal liberty to the people." Here was coupled a project for a plan of government and a bill of rights, each to complement the other. Here in this single sentence was set down the essence of the American philosophy of law, order, and freedom—all three interrelated, all equal, all fundamental, and all underpinned by a sublime ethical precept. Here in one document were the canons of political liberty and an unmistakable assertion of religious freedom. With such a heritage, Americans of every generation are bound to think badly of governments which recognize no limitations upon the scope or nature of their authority over their citizens.

And then again, later on in his same speech, Dr. Kirk said:

The basic hypothesis of the experiment proclaimed here was that men do have enough good will, enough intelligence, enough energy, enough tolerance and fortitude so that they may go about their daily work with hope and faith, and not in fear and despair. Let us take heart from the examples of those men who met here in our Nation's beginnings. As they extended outward from this city to all the American Colonies, their brilliant expressions of commonly shared convictions, tolerant of one another's differences, let us emphasize before the world today the common moral law of men of good will everywhere, ignoring our differences and strengthening our unity. The spirit that will guide us through our present perplexities is not the spirit of militancy, but the spirit that, in all eras, has led men sooner or later to the love of God through the love of their fellow men.

Dr. Kirk thus describes with great eloquence the spirit which prompted the trustees of Williamsburg to select the recipient of the first Williamsburg award. They sought out one who had contributed to the inspiration of man in his love for freedom and desire to live at peace with all men. They sought one who by his example of courage and determination, by his vision and faith "has led men sooner or later to the love of God through the love of their fellow man," and they found such a one in Sir Winston Churchill. President Eisenhower summed it all up so well when he said in the message he sent to this meeting:

It is most fitting that the first Williamsburg award should be made to Sir Winston Churchill—an award which bears the name of the one-time capital of the great Virginia Colony, and which reawakens memories of the fearless men of 18th-century America. The cause of freedom was the cause of Washington, Jefferson, Madison, Patrick Henry, and others who once walked the streets of the historic capital. In our time, no man has given more to that cause than Sir Winston. With all who honor him, I join in extending to him my heartiest congratulations and warmest regards.

Sincerely,

DWIGHT D. EISENHOWER.

The whole story is nobly told in the speech of Mr. Winthrop Rockefeller's when the award was given, and it is printed at the conclusion of these remarks. As I have already stated the ceremony took place at Drapers' Hall, London, England, on December 7, 1955, and the occasion was described by Life magazine in its issue of December 19, as follows:

The 204 guests who attended were field marshals, admirals, statesmen, ambassadors, and just plain old friends on hand to applaud Churchill. Among them was Clement Attlee, who just that morning had retired as leader of the Labor Party and accepted an earldom. He put on white tie and tails in honor of his old rival.

After sampling a banquet which included oysters, smoked salmon, English roast lamb, Virginia ham, and cheese souffle, washed down by French vintage wines, Winthrop Rockefeller, chairman of the Williamsburg trustees, made the award—a silver town crier's bell and $10,000. Speaking of the bell, Sir Winston replied, "Its silver tone is gentle. I shall ring it whenever I feel there is duty to be done."

America and humanity were honored on this occasion. What was said by the speakers renewed our faith in the goodness of things and our determination to carry on with the spirit that inspired our forefathers in their determination that man should be free and not regimented by any bureaucracy or tyranny of government. In making possible the restoration of Williamsburg, thereby revitalizing our American ideals, Mr. John D. Rockefeller, Jr., has performed a signal service to mankind and has brought about an appreciation of the value of our heritage. All Americans should visit this shrine and renew their pledge of loyalty to our country "one Nation under God with liberty and justice for all."

Mr. Winthrop Rockefeller's address follows:

Sir Winston, honored guests, I am here this evening to speak for many people.

I speak first for the trustees of Colonial Williamsburg.

I speak for old friends of our honored guest—some of whom have been proud to come from far away to meet again with a comrade in arms.

I speak for millions of Americans who love and honor Sir Winston Churchill.

In the presence of the Ambassadors of other nations, I hope that I may speak also for their countrymen who have fought and are fighting for a world of freedom, justice, and honor.

Above all, I believe that I speak for the spirit of those men of 18th century Williamsburg, who are the real creators of the Williamsburg award.

Williamsburg is almost as old as the English colonization of North America. In 1633, it was built north of Jamestown between the York and James Rivers in the vast colony of Virginia. In 1699 it became the capital of the colony and was named Williamsburg after William the Third.

For 81 years—from 1699 to 1780—it was the political and cultural center of the largest and, in many respects, the most influential of the British colonies.

When the American dream of freedom and independence was taking form, Williamsburg provided one of the most important intellectual training grounds for the leaders in that struggle.

As the drive for independence became a reality, Williamsburg was the scene of the enactment of the Virginia Resolution, which led to the Declaration of Independence.

There the forerunner of the American Bill of Rights was written by George Mason and adopted by the legislature.

There a company of brilliant and courageous men proclaimed the rights of man in words and deeds no one who loves liberty can ever forget.

But in 1780 history left Williamsburg. Slowly the proud old city was forgotten.

Fifty years ago, the rector of Bruton Parish Church, in Williamsburg—a deeply thoughtful man—dreamed of restoring the historic city. Many years later he told my father of that dream.

My father, immediately impressed with the spiritual significance of this colonial capital became deeply interested in its preservation.

He came to believe that if the city could be brought back to life—if the environment of the 18th century could be re-created—living Americans would better understand the lives and times of the men who here helped build our Nation. They would appreciate more fully the nature and the meaning of the contribution they made to our country. He, therefore, determined to begin the restoration of Colonial Williamsburg.

It was a project to which he was to be increasingly drawn over the years, and to which he was to give of himself without stint. That the lost city should be reborn to speak for itself was his special objective.

Now, almost 30 years later, the work is still not finished, but 18th century Williamsburg again stands much as it stood in the days of its greatness.

Since the restoration began to take shape, 7 million Americans have visited Colonial Williamsburg and it has drawn visitors from 80 foreign countries. People of all ages, nations, creeds, and races are coming in increasing numbers.

No more gracious visitor, I may say, has ever visited Williamsburg than Her Majesty, the Queen Mother, who a year ago became the first member of the royal family ever to visit the city where British governors once lived and ruled a Crown Colony. Sitting—by her own wish—in the pew once occupied by George Washington, she worshipped in Bruton Parish Church. Never was Williamsburg more completely captivated by a King or Queen.

Today the people who come to Williamsburg from many lands and many walks of life are drawn by something far more than curiosity. Perhaps what they find was best expressed by a young American soldier during the Second World War. In a greatly cherished letter to my father, he wrote:

"This visit made me realize the heritage and rich gifts of our country. Of all the sights I have seen, and the books I have read, and the speeches I have heard, none ever made me see the greatness of this country with more force and clearness than when

I saw Williamsburg slumbering peacefully on its old foundations. * * *

"As a soldier in the United States Army, I am proud to have set foot on such grand old soil. More than ever it has made me live in the daily hope that by facing the future together, we shall all survive it together, both as a united nation and as free men."

The lessons taught by the lives of the men of 18th century Williamsburg are timeless. They remind us, among other things, that there is a fellowship of free men—a comradeship of courage—that is not contained within the borders of any land or within the limits of any time. The example of the men of 18th-century Williamsburg speaks across the ages to the perilous present—not only to Americans but to all men who love liberty. We today take heart and comfort from the courage and steadfastness of our forebears.

It was with this realization that the trustees of Colonial Williamsburg conceived the Williamsburg award. It intends to be an honor. But more than that it intends to make all men, wherever they may be, aware that there is such a fellowship—that it extends down the ages—that it reaches across every boundary of race, creed, and geography.

It is to be hoped, then, that this award will serve as a continual reminder that there are today, as there were yesterday, vigorous, courageous and intelligent leaders—that he who defends liberty and justice anywhere defends it everywhere.

It is not a twentieth-century Williamsburg which speaks through the Williamsburg award. This is a salute across time. It is great men—of your blood and ours—who speak across nearly two centuries to say to the recipients of this award:

"You are of the great company."

When it came time to select the first recipient of the Williamsburg award, it was our task to find "a person who has influenced the course of national or world events significantly by expressing in sustained action or in eloquent and persuasive statement a belief in the liberty of the human spirit, in the rights of man, and in the value of the individual." And all roads led to one man.

In the wonderful phrasing of his biographer, E. D. O'Brien, "the long procession of Winston Churchill" marched past. And there was never any question that he, more than any other living man, belonged to the great company of the defenders of liberty. No political leader in our time has given a braver example of resistance to tyranny and all encroachments on the rights of free men. None has fought harder—or more successfully—for the rights of the individual. None has done more to preserve and extend Anglo-American friendship which was strong in the hearts of many men of eighteenth-century Williamsburg even when they broke with their mother country.

I will not try to offer any further citation. Sir Winston needs none. He, the symbol of a free world in time of terrible danger, his eloquent words ring in the hearts of men around the globe. By his words and actions, he has written a finer citation than any that could be written for him.

There is, however, one message which comes—not across two centuries but across 3,000 miles of water. It is from Gettysburg. It reads:

"It is most fitting that the first Williamsburg award should be made to Sir Winston Churchill—an award which bears the name of the one-time capital of the great Virginia Colony, and which reawakens memories of the fearless men of 18th-century America. The cause of freedom was the cause of Washington, Jefferson, Madison, Patrick Henry, and others who once walked the streets of the historic capital. In our time, no man has given more to that cause than Sir Winston. With all who honor him, I join in extending to him heartiest congratulations and warmest regards.

"Sincerely,

"DWIGHT D. EISENHOWER."

Sir Winston, I am honored to present to you—in the presence of this distinguished audience—the first Williamsburg award. The symbol of it is a town crier's bell—made at Colonial Williamsburg by artisans, as such bells were made in the days of your forefathers.

On it have been inscribed these words:

"This bell, symbol of the people's vigil, is given to commemorate the presentation of the Williamsburg award to Sir Winston Churchill for his unexampled contribution in our time to the historic struggle of men to live, free and self-respecting, in a just society."

"THE TRUSTEES OF COLONIAL WILLIAMSBURG."

"DECEMBER 7, 1955."

Mr. AUCHINCLOSS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

DON'T KILL THE GOOSE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 20 minutes.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include two newspaper statements.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, in mass production industries workers need protection from greedy employers. They got it in 1935 when the yellow-dog contract, which denied a worker a job if he belonged to a union, was outlawed.

Today the union or closed-shop contract denies the worker a job unless he belongs to the union.

Speaking generally, then a man could not get a job if he belonged to a union; today he cannot get one unless he belongs to a union.

Both contracts were unfair.

Employers of today who create jobs and meet payrolls are just as much entitled to a fair deal as were the employees prior to 1935.

Employers have no monopoly of the desire to better themselves financially. Neither they nor workers are to be criticized because of any fair effort to better their financial condition.

If prosperity and advancement for either group is to continue, there must be equitable treatment for both.

An employee will not continue to render a worthwhile service unless he receives a wage which will not only provide food, shelter, and clothing, but enable him to marry, have a family, assist in their education.

An employer will not, he cannot, continue to operate unless he makes a profit.

Hence it is that there must be a balancing of opportunities. That we try to bring about through collective bargaining.

Industrial profits have heretofore been held in check by competition. Antitrust laws were enacted to prevent a monopoly of production by one or a few big corporations in control of production or marketing.

An employer forced to grant an ever-increasing wage may, because the wage increase is added to his sales price, lose his market. Or he may be denied a profit and when he is, he will quit—and no one can force him to continue in business.

The closed or union shop—a labor monopoly—is equally dangerous to the welfare and the freedom of the employee.

Why, when union officials can, and have, as many a union member has complained to me, arbitrarily raised membership dues from $2.50 per month to $7.50 per month, there is no limit to the tribute they can exact from their members. And when, in addition, they can, as they have, use part of that $2.50 or $7.50, or a special assessment, for political purposes—to support policies and candidates the individual workers oppose, then the unionman has lost not only his economic independence, the right to his own earnings, but the freedom heretofore enjoyed under our form of Government. The union official has become a tyrannical dictator with the power to cut the worker's take-home pay.

There is another danger—the union boss, the international organizer, can, and, as I read the January 25 issue of the AFL–CIO News has, put an employer out of business. Read the following from that issue of labor's press:

CLEVELAND WORSTED CO. DISSOLVES, 1,400 IDLE

CLEVELAND, OHIO.—Directors of the 77-year-old Cleveland Worsted Co. voted themselves a quick financial killing by ordering the liquidation of the firm but 1,400 members of the Textile Workers are continuing their 5-month-long strike against the mill.

Civic authorities roundly condemned the callous disregard for veteran employees, many of them people past middle age, and the Cleveland City Council twice flayed the company's management for its lack of responsibility.

ORDERED PLANT CLOSED

TWUA members have been on strike since August 22. The union won an NLRB election at the mill last June but Louis A. Poss, 75, president of the firm, maintained he would never sign a contract.

Later he modified this to say he would sign with the union if there was no wage increase or other benefits provided but again he changed his mind and ordered the plant closed down.

Poss' antics during the preelection campaign are recalled with bitterness now. The night before the voting Poss roamed through the plant embracing elderly workers and exhorting them to "vote for me" or waggling a warning finger at union supporters. His vote was 449 compared to 884 for TWUA.

His attitude was described as "even more incomprehensible" because the firm's branch in Ravenna, Ohio, with 450 workers, has been under TWUA contract since 1937. Union officials have described Poss as fancying himself a "small-time Sewell Avery" who is closing his mills "out of sheer pique."

Poss and the dozen or so others who control the firm will find little to pique them, however, in the quick financial killing they stand to make out of the liquidation.

TWENTY-SIX MILLION DOLLARS IN PROFITS

The action in Cleveland is all too tragically familiar in New England textile centers where ruthless men have found that it is very often more attractive financially to liquidate a mill than to keep it in operation. The welfare of the community or the employees becomes of small consequence.

TWUA obtained a court order giving it the list of stockholders and appealed to them to continue the business, pointing to trade press comments that Cleveland Worsted was "a paragon of the staple worsted manufacturing industry with earnings surpassing anything by its competition."

Solomon Barkin, research director of TWUA, estimated that the company had made net profits of $26 million since 1942.

The firm's stock had been selling for about $80 a share until rumors of impending liquidation hit the market. Then the stock soared to $125 a share as investors greedily eyed the $18 million cash surplus on the firm's books which will be divided on liquidation.

GRAY CLOSED LUMBER COMPANY RATHER THAN NEGOTIATE

WAVERLY, VA.—Virginia State Senator Garland S. Gray, who headed the commission which brought forth a plan to circumvent the Supreme Court's antisegregation ruling, in 1952 closed down his Gray Lumber Co. here rather than negotiate with the union.

"No damned union is going to run my business," Gray, who has given Sussex and Surrey Counties $45,000 for private, white swimming pools to guard against mixing, was quoted as saying.

Six days before his decision to close his plant, his employees voted 99 to 8 in an NLRB election to be represented by the International Woodworkers. Seven months later the business, which Gray sold to his son, reopened under the name of Elmon Gray & Co. It is still nonunion.

Possibly, but just possibly, by an appeal to the NLRB the Grays might be forced to bargain collectively on the theory that it was but a continuation of the old business. However, the son might decide that he, too, had had enough.

Lambasting the two business concerns, as is the right of labor, may relieve the feelings of the editor, but it will not put the former employees back to work. No man can be forced to work at a particular job nor, on the other hand, can he be forced to either create or continue a business giving jobs.

Do not put the employer, be he individual, partnership, or corporation, who creates the job and meets the payroll, out of business. Already many a smaller and some larger industrial plants have gone South.

Large corporations with millions to spend for new and ever-improving machinery make it difficult for the smaller industrialist to meet the competition. If, in addition, the employer in the small city or town is forced by organizers from the cities to pay the same wage paid in the big plant which can produce at less cost, the local employer may well be forced out of business—many a job lost.

The goose which may not be laying the desired golden egg, but perhaps a silver one, may just die for lack of nourishment.

TAX CUT FOR LOW-INCOME TAXPAYERS

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, I have today introduced a bill to provide a tax cut for low-income taxpayers, and I rise to discuss my reasons for so doing, and to urge the Congress to give early and favorable consideration to my bill.

A substantially identical bill was introduced in the first session of this 84th Congress by my late distinguished father, the Honorable JOHN D. DINGELL, and cosponsored by other Members of the House and Senate. However, certain modifications are necessary in my late father's bill relative to changes in the effective dates in the tax schedule included in that legislation.

This bill is indeed a tribute to the vision of the late Congressman JOHN D. DINGELL, and to his humaneness and concern for the common man, due to its great importance to the little people of this country.

This proposal provides for raising exemptions for each taxpayer and his dependents from $600 to $700 per annum. It goes further and repeals the special treatment accorded corporate dividends by the Republican-sponsored changes in the tax laws, those infamous provisions which exclude completely from taxation certain amounts of dividends of corporations, and which, in addition, give tax preference on all amounts of corporate dividend income over the earned income of the average American citizen.

These provisions of the current law represent tax favoritism for the wealthy in its purest form.

The provision for the increase of exemptions will cost the Government $2,474,000,000. Of this sum, over one-half, or $1,247,000,000 will go to families with incomes under $5,000 per annum. In other words, this is the little man's tax cut. This provision will absolve 5.6 million small taxpayers from paying any income tax whatsoever.

The other provision, which repeals the special treatment accorded corporate dividends, will recapture for the Treasury $420 millions per annum.

We all realize that the removal of a number of small taxpayers from the rolls will result in substantial economies in bookkeeping for the Government. Experience shows that the administrative cost of collecting the tax of small taxpayers is proportionately very high, and in a number of cases actually exceeds the amount received by the Government from that individual taxpayer.

This tax cut will increase the buying power of the little man, the one who most needs it, and will serve to put more food of better quality on his family table, give him an opportunity to buy small luxuries and necessities which he could not otherwise afford, and allow him to increase the general prosperity of all by buying more goods and services from businessmen, merchants, manufacturers, and farmers.

Indeed, Mr. Speaker, this precise form of tax cut is the sort which is most beneficial to the economy, and best illustrates the wise philosophy of the Democratic Party, that true prosperity is best created by increasing the buying power of the small man. It is the little fellow who most needs money to buy the goods of this world. He is the man whose daily needs compel him to spend almost every cent of his hard earned income as rapidly as it is earned. Increased prosperity on the part of the little man will result in increased income for all who sell to him. All those in the higher income brackets will not only get a tax cut, but will profit from the increased income of the small-tax payer, with whom they trade.

Sound economic studies by the Treasury Department and outstanding economists show us that this increased prosperity will also offer a still larger tax base so Uncle Sam will lose considerably less than the entire amount of the tax cut given the people.

I here insert into the RECORD a table showing the reduction of taxes for various representative income groups for the average family with two children:

Income before deduction for personal exemptions	Present law tax	Plan tax	Reduction	
			Amount	Percent
$3,000	$120	$40	$80	66.7
$4,000	320	240	80	25.0
$5,000	520	440	80	15.4
$8,000	1,152	1,064	88	7.6
$10,000	1,592	1,504	88	5.5
$15,000	2 900	2,780	120	4.1
$25,000	6,268	6,116	152	2.4
$50,000	18,884	18,648	236	1.2
$100,000	51,912	51,624	288	.6
$500,000	402,456	402,092	364	.1
$1,000,000	857,456	857,092	364	(1)

1 Less than 0.05 percent.

For example, under this program the average worker in the factories of Detroit earning the average wage of $5,000 per annum, with a wife and two children, would receive a tax cut of $80, or 15.4 percent.

I note a disquieting thing about the present administration's current tax philosophy: The administration appears bent on playing politics with the possibility of giving those in the lower income brackets a tax cut. I regret that the administration should attempt to delay a tax reduction for the little man to secure for itself a political advantage when it brooked no delay during previous Republican Congresses to give tax cuts to the corporations and to those in the higher income brackets. Yet it appears that is precisely what is happening, and I so charge the administration.

The welfare of the small taxpayer is such that the administration must not delay giving him the benefits of a tax cut until it can take exclusive credit for such a move. A wise and humane government recognizes that there is enough glory for all in an act which benefits all the people. And there is certainly glory enough for all in the tax reduction I urge.

Dr. Arthur Burns, Chairman of the Council of Economic Advisers, after careful study, takes the position that continuing growth of our economy is to be assumed. Even considering the possibility that the current boom might slow down somewhat, he still believes that the economy will continue to expand, as it has every year since the war, at a rate of about 4 percent.

The administration takes its usual conservative view that business profits will continue at exactly the 1955 level of $43 billion, and that the national income will continue at $312 billion, precisely what it is today.

Dr. Burns is recognized as one of the great practical economists of our day and chairman of one of the most experienced groups of economists in the world. They are indeed the watchdog of the Nation's economy.

The figures advanced by Dr. Burns are very interesting. Under this uniform postwar growth of our economy or, at the rate of 4 percent per annum, it will grow $12 billion during the coming year. Past experience shows that, of this sum, the Treasury's tax share will run about $3 billion, which figure permits a balanced budget, reduction of the national debt, and a reduction of taxes for the people who most need it—a tax cut in almost the exact figures which I have set forth above and provided in the bill which I am introducing.

On the other hand, if the economy is in the condition which the administration assumes and is not due for the usual expansion which we have uniformly had through the postwar years, then it is plain that two very serious conditions will arise, for which the administration manifests no concern whatsoever. First, there will not be jobs and opportunity for all those of our growing population who wish to enter the labor force; and, second, our economy would not then absorb the increased labor productivity, which is due to new methods and increased mechanization.

If the administration's analysis is correct, it is its plain duty to take positive action at once, and to advise this Congress of the true state of affairs immediately, so that we may act to provide for a continuing growth in our economy.

It is significant that no Presidential message of this session made any worthwhile proposal for readjustment of the present tax structure to promote greater fairness for the little man. Speaking of the past, the state of the Union message points out that two-thirds of the $7.5 billion released by the tax cut of 1954 went to individuals. However, only one-quarter of the total relief granted to individuals in 1954 went to the two-thirds of the American families who earn less than $5,000 per year. The other three-quarters went to those taxpayers with larger incomes, both by way of direct tax cuts and loopholes through which those of higher income can avoid taxation which the small taxpayer cannot escape.

I think the proposals set forth in my bill provide fairly for the reduction of the tax burden on the little fellow, while at the same time taking into account consideration of the needs of the economy, and reduction of the national debt. Together they provide for some readjustment of the existing tax structure, and elimination of one very obvious tax favoritism for a special interest group by elimination of the dividend credit treatment in the 1954 Code.

I am confident that the Ways and Means Committee of this House, led by its distinguished and able chairman, the gentleman from Tennessee [Mr. COOPER], who together with my late father sponsored this legislation in the last session, will take favorable action on this proposal without regard for the political conniving of the administration. I am also confident the committee will take other steps to see to it that the small taxpayer gets the fair treatment he so justly deserves and the economy he so greatly needs.

THE ALTOONA (PA.) TRIBUNE REACHED THE 100TH MILESTONE IN THE FIELD OF JOURNALISM

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to adress the House for 15 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, the centennial edition of the Altoona (Pa.) Tribune, issued January 12, 1956, presented a nostalgic review of world-shattering events that transpired during the past century.

Through a series of reprinted articles and photographs, the reader enjoyed not only a refresher course in American and world history but likewise a chronological review of the transformation of the Altoona area in 1849 from its pastoral setting into a thriving industrial section of Pennsylvania which takes pardonable pride in the fact that it is the site of the famous Horseshoe Curve on the Pennsylvania Railroad and the home of the largest railroad shops in the world.

The Pennsylvania Railroad was only 3 years old when in 1849 it purchased farmland in Blair County, Pa., and began the erection of the railroad shops and yards which were destined to transform Altoona into an important railroad center of the Pennsylvania Railroad system.

The Altoona Tribune over the span of a century has recorded the growth and development of the Pennsylvania Railroad and other industries in the Altoona area with the result that today in the American tradition of free enterprise Altoona is a bustling city of diversified industries.

Pictures of locomotives and the railroad yards before the turn of the century, as shown in the centennial edition of the Altoona Tribune, are graphic illustrations of America's marked progress in the field of science and invention.

For example, there are reproduced early pictures of the American "Iron Horse" while another page carries an advertisement by the Pioneer Fast Line organized in 1837 to provide transportation facilities.

The advertisement promised fast service of 3½ days between Philadelphia and Pittsburgh, adding that the journey was made possible "by railroad cars, canal pockets, and steamboats carrying the United States mail."

Depicting the American scene at the national level, the Altoona Tribune reported the war clouds gathering over the Nation as the threat of a civil war became imminent.

When Fort Sumter was fired upon, war became a stark reality and there followed the sequence of events of that fratricidal blood bath that divided a nation.

Among these events was the famous conference of the Civil War Governors held in the swanky Logan House, Altoona, Pa., which at that time was one of the Nation's finest hotels. This conference is regarded by many historians as the turning point in the Civil War.

The famous Gettysburg Address was printed in the Altoona Tribune in regular fashion and with no idea that it was destined to become an historic and immortal masterpiece of thought and diction.

In addition to the surrender of General Lee, there was recorded the horrifying account of the assassination of the beloved Abraham Lincoln.

The chronology of historic events at home and abroad proceed with the Altoona Tribune's reporting of President McKinley's proclamation and the entrance of the United States into the War With Spain.

The 20th century approached and brought with it the continued growth and expansion of the United States and also depressing events such as World War I and World War II, the Korean conflict, and the global struggle to control the minds of men made necessary by the ruthless tactics of Soviet Russia in seeking dominance over all mankind.

The panoramic view by picture and the printed word encompasses the horse and buggy area to the present atomic age, thus revealing the important role played by the Altoona Tribune, as a disseminator of news in the 100 years of its existence.

In addition, the nostalgic review in the centennial edition of events of the last 100 years is a lesson in capsule form of America's joys and tribulations experienced by the young republic on the road to maturity and to the exalted position of the greatest nation on the face of the earth.

Mr. Speaker, to trace the history of Altoona's popular morning newspaper, I should like, at this point, to include in my remarks the following article that appeared in the centennial edition of the Altoona Tribune on January 12, 1956, and an accompanying editorial entitled "The Tribune Looks Forward" from the pen of its erudite and versatile editor, Mr. Robert W. Boyer, whose timely editorials have won wide acclaim for clarity and cogency in appealing for a dynamic brand of Americanism:

FIRST TRIBUNE PUBLISHED ON JANUARY 3, 1856—ALTOONA HAS BEEN BIG NEWS TO THE TRIBUNE FOR 100 YEARS

The Altoona Tribune has been a familiar name in Altoona and Blair County for 100 years, this month.

Journalism still was in its infancy when the Tribune first began operations January 3, 1856. The date of formal incorporation is listed as January 1, 1856.

Thus, the Altoona Tribune has seen, and reported, some of the most eventful times of world history, and, certainly, it has reported all of the story of the growth of our own community.

But, in looking back through our files, only a few of which remain from this early period, we found that many of the great events of our Nation had not yet found a dramatic spot in history, and were treated as very prosaic news.

The report of President Lincoln's Emancipation Proclamation was published on an inside page, and for example, nowhere does that familiar title appear in the wording.

The meeting of the loyal war governors here at the Logan House is regarded as a turning point in the Civil War. Imagine how we should treat such an event in our news columns today.

But, this simple item appears in the columns of the Tribune, Thursday, September 25, 1862:

"Meeting of Governors."

"On Wednesday, last, the Governors of all the loyal States with the exception of the Governor of Minnesota, who was detained by Indian difficulties, and Governor Morgan, of New York, were present either in person or by proxy. Their sessions were secret and although a number of reporters have given sketches of their proceedings, we are inclined to the thought that there was considerable guesswork about the reports. The convention adjourned to meet again in Washington City, and the Governors have gone thither."

NO BIG HEADLINES

The day of headlines had not yet been ushered in by William Randolph Hearst, and the story of the Civil War appears in The Tribune in a series of brief, sketchy dispatches, seldom with anything more than a small, one-line heading.

This, of course, was in the day of slow communications. The telegraph had come into general use only shortly before the Tribune saw the light of day, and its service was limited, and often interrupted by broken lines.

There were no telephones, and even the mails were slow and irregular.

Through all this, the Tribune carried on, endeavoring by such means as were available to keep the people of the community informed.

The development of the Pennsylvania Railroad Co. here was reported steadily through the years; the industrial expansion of the city, the annexations, the social and cultural growth, and, among the most vital news to our people, the reporting of their own doings, their meetings, their accidents and tragedies, their marriages, births, and deaths.

The first newspaper in Blair County was The Altoona Register published for a short time by William H. and J. A. Snyder in the spring of 1855. After its suspension it was succeeded by the Tribune, January 1, 1856, McCrum & Allison, proprietors.

On May 1, 1858, William M. Allison of the Altoona Tribune disposed of his interest to H. C. Dern. On July 19, 1875, the interest of Ephriam B. McCrum passed into the hands of Hugh Pitcairn who for many years conducted the paper with Mr. Dern.

On April 14, 1873, McCrum and Dern began the Daily Tribune. The firm of Dern-Pitcairn took over January 28, 1878, continuing until Mr. Dern's death in 1905. At that time the company was reorganized as the "Altoona Tribune" with Dr. Pitcairn as president, Henry C. Dern as treasurer, and Alonzo D. Houck as general manager.

Col. Henry Shoemaker purchased the Tribune and became president and publisher November 12, 1912. Hr. Houck retired as general manager and became first vice president upon the retirement of Enos M. Jones in 1916.

MERGER

In January of 1920 the Altoona Times merged with the Tribune. Colonel Shoemaker continued as president with Bert Leopold as vice president. A. D. Houck became vice president and general manager of the job printing plant with A. M. Whitaker general manager of the newspaper. Charles K. Kelley who had been editor of the Times retired. W. H. Schwartz, editor of the Tribune, continued in that post.

Colonel Shoemaker purchased the Times interest in January of 1921.

Adam J. Greer was editor of the Tribune for a number of years in the early days of publication. He was succeeded February 1, 1881, by Wesley H. Schwartz, native of Williamsburg, who resigned as editor in 1922 to be succeeded by A. O. Vorse, J. V. Taylor, J. Herbert Walker, Henry T. Baldwin, Thomas C. Langdon, Robert O. Price, and James F. Brantinger who preceded Robert W. Boyer, present managing editor.

OTHER OFFICIALS

Other Tribune officials since 1923 have included Parson H. Crawford, advertising manager; Herbert D. Brauff, business manager; B. I. Levine, advertising manager; and Robert Keys, advertising manager. First directors of the organization headed by Colonel Shoemaker were Enos H. Jones, John D. Meyer, J. C. Quiggle, J. H. Chatham, Joseph Arbuckle, and William F. Gable. Prior to the purchase of the Tribune by Shoemaker, E. Warren Everhart was city editor for many years and William W. Witherow was circulation manager a long time. John Kelly was city editor before being called into the service several years ago, and is now stationed in Germany. Joseph Berger served as city editor several years before accepting a position with the State Department at Washington, D. C.

Several years ago Colonel Shoemaker sold his interest in the Altoona Tribune. Col. Theodore Carter is now owner. A. B. Crane is now vice president and publisher; and Joseph A. Faul is general manager; John P. Nardella, business manager. Leo P. Carroll is advertising manager; Bernard Krauth, head of circulation; Robert W. Boyer, managing editor; and Donald N. D'Elia, city editor.

Close to the time of the Spanish-American War the Tribune proprietors erected a neat and substantial three-story brick building especially designed as a printing house between 11th and 12th Avenues, fronting 32 feet on 12th Street, with a depth of 60 feet. This edifice is still in use.

THE TRIBUNE LOOKS FORWARD

(By Robert W. Boyer)

As we look backward across the years during which the Altoona Tribune has served Altoona, and all of Blair County, we become conscious, humbly so, of a oneness, a perfect unity, which exists, and has existed for all the long years of its life, between the Tribune and the community of which it is so vital a daily part.

For a full century, this month, the Tribune has served as a voice of the city. Sometimes it has been raised in exhortation, sometimes in denunciation, but, by the records, always on behalf of the city, always defending, advising, suggesting, striving always for a better city, a more informed people.

A century is a long time to serve a community. The very thought of the past, dwindling faintly into the depths of the distant years, and of the men and women, the brilliant and the able, and the mediocre who have worked here, who have kept finger to pulse while the community lived its daily life, leaves us humbly casting about for a way to express our own feelings as we mark this 100th anniversary.

There is so much to say to sum up a hundred years. What can we say? Shall we become dull and dreary with figures? Shall we belabor the columns, and the reader, with pile upon pile of statistics?

No. A century of recording the life of a community is more than a stack of statistics, more than dusty columns recounting the chronological events, people and dates, in every local organization and group through the years.

We were astounded to read an editorial in a paper of 1866 advising the people of Altoona that someday they would need more different types of industries.

The Tribune urged diversification of industry at the very beginning of the industrial age.

And so, we are not looking forward with the vain regrets of old men who lament the passing years, and to whom only the old days were good.

We do not delve into the ancient records to bewail the past, nor to shed tears for a day that is no more. But, to pull aside the curtain of time and glance backward momentarily can serve to give us a deeper appreciation of today, and of the life's struggle of the many who have gone faithfully through their daily tasks, and, step by step and year by year, built a better world, a better Nation, and a better city.

There are many things to be learned in a hundred years, whether it is a man or a newspaper which has lived them.

And only a very amateur philosopher is required to see that the wisdom of the years point toward a better tomorrow.

That is the thought and the urge which drive men and communities forward.

It is the future that counts. For the future is the very stuff of life itself.

One can go adventuring through the files of the Tribune, and through its pages of history, and one can look with interest backward through the years, and see the tiny village of Altoona, and its mud streets, and hear the lonely wail of a locomotive's whistle coming up the valley, heading bravely toward the ramparts of the mountains, and the newly opened West beyond, but, at the threshold of another century of service, the Tribune and all who now comprise its personnel, look forward to the future with zest, proud of an ancient masthead, but interested only in tomorrow, for, our past is now history.

Mr. Speaker, the worth of any institution to the community, State, and Nation is measured by its record of service in the common good. In this respect the Altoona Tribune has earned its laurels in the field of journalism as evidenced by the warm messages of congratulations that flooded its editorial offices the week of January 3, 1956.

These expressions of widespread commendation came from President Dwight D. Eisenhower, United States Senator Edward Martin, United States Senator James H. Duff, Gov. George Leader, State Senator Charles R. Mallery, State Assemblymen Charles A. Auker, Daniel H. Erb, Harold G. Miller, and Mayor Robert W. Anthony, of Altoona, along with scores of congratulatory messages from other business, industrial, church, and civic leaders throughout Pennsylvania and the Nation.

It was highly pleasing to me to be able to join in extending centenary congratulations in my capacity as Representative in Congress of the 20th Congressional District of Pennsylvania, which is comprised of Blair, Centre, and Clearfield Counties, because I belong to the Tribune alumni, having been employed in the folding room and also as a newsboy delivering Altoona's popular morning newspaper while a grade student in the Altoona schools.

I have many pleasant memories of my boyhood employment with the Altoona Tribune and feel that the training I received there in my early youth proved helpful to me in developing into manhood.

It has been my good fortune to have known personally many of the officials and employees of the Altoona Tribune over the past 50 years.

On the occasion of this centennial observance of one of Pennsylvania's leading daily newspapers I extend best wishes to the present publishers and staff for continued success in their efforts to meet the challenging future as ably as their predecessors met the test since 1856.

Mr. Speaker, it has been said often that if you wish to probe the sincerity, honesty, and ability of a man, ask his neighbor.

This admonition of an age-old adage aptly applies to the newspaper field because in the not too distant past members of the fourth estate in their publishing activities were not reluctant to repeatedly attack policies and personalities of a rival newspaper. This practice of verbally lambasting another newspaper is happily on the wane but it has always proved foreign to the precepts of journalism as practiced in the Altoona area with the result that all newspaper editors respect each other and as a result dwell in amity and contentment as they cooperate in promoting the best interests of the community.

There is no stronger evidence of the cordial relations that prevail among the newspaper fraternity in Altoona than the glowing editorial of cordiality and goodwill that appeared in the Altoona (Pa.) Mirror on January 12, 1956, warmly congratulating the Altoona Tribune on its 100th birthday.

Mr. Speaker, as a fitting conclusion to this tribute to the publishers and the staff of the Altoona Tribune, I wish to include at this point in my remarks the Altoona Mirror editorial and to add the two fine articles by Mrs. Grace K. Ebright, staff writer of the Altoona Mirror, in saluting the Altoona Tribune for its contribution through able and learned journalists in promoting the best interest of the newspaper profession in my home city of Altoona:

[From the Altoona (Pa.) Mirror of January 12, 1956]

TRIBUNE ANNIVERSARY

For 100 years residents of Altoona have welcomed the daily arrival of one of the city's first newspapers, the Altoona Tribune, and this anniversary year of that newspaper finds the officers of the company, the newspaper staff and its readers all celebrating the birthday event.

Birth date of the Altoona Tribune is January 3, for the first issue appeared back in 1856, and the newspaper has continued as a morning paper ever since.

The Altoona Mirror heartily congratulates the Tribune and its newspaper family on its centenary year. An existence of 100 years is an achievement most outstanding in any business, and the Tribune, ancient in its years, but up to date in its operation, starts a second century with the finest of greetings and the heartiest of congratulations.

For 82 years of the 100 years of existence of the Altoona Tribune, this newspaper, the Altoona Mirror, has traveled side by side in the production of a newspaper and the promotion of a progressive Altoona, and the association has been most friendly.

The 100-year-old Altoona Tribune has had a most interesting history, dating as it does back to a period 10 years after the formation of Blair County. The Tribune was antedated only by the Altoona Register, which appeared in 1855 and this paper was purchased to launch the Altoona Tribune. For a brief span it was known as the Daily Tribune, the title Altoona Tribune being first applied in 1905.

In 1914 the Tribune acquired the Altoona Gazette, an afternoon paper, which early began as the Altoona Sun. In 1920 the Altoona Times, a morning paper, was procured and the paper was issued as the Times-Tribune, the present title continuing however since 1923.

The Altoona Tribune is rich in newspaper tradition and in personnel, newspapermen of outstanding ability being associated with the business. On this anniversary date are recalled the names of E. B. McCrum and William H. Allison, first owners; Henry C. Dern, Dr. Hugh Pitcairn, Alonzo D. Houck, Enos M. Jones, Col. Henry W. Shoemaker, as owners.

The dean of Altoona newspapermen, the late Wesley Howe Schwartz, served the paper from 1881 up until a few years prior to his death in 1937. Miss Lizzie Akers is remembered as the faithful editorial room employee. Long in the service were J. Virgil Taylor, Parse H. Crawford, Karl Isenberg, Matthew Smith (now the Monsignor Smith of Denver) and a host of others, all who achieved fine newspaper reputations. Many continued to other positions distinguishing themselves.

To the present officers and staff, President Theodore Arter, Jr., Publisher A. B. Crane, Editor Robert W. Boyer, General Manager Joseph A. Faul and Advertising Director Leo Carroll, the very best of anniversary wishes and hearty congratulations on the historic edition. May the future add to the bright pages of the Altoona Tribune.

[From the Altoona (Pa.) Mirror of January 16, 1956]

MEMORIES

(By Grace K. Ebright)

This is being written before seeing the 100th anniversary issue of the Altoona Tribune, but the very fact that the morning paper is celebrating its 100th anniversary brings a flood of memories that goes back to more than half that period of time, when I deliberately left high school to fill a vacancy in the editorial office of the city's morning paper, as assistant to Wesley Howe Schwartz, a self-educated man of towering literary ability who was then the Tribune's editor.

Educators today would certainly frown on my temerity. I had little "book larnin" as such. My earlier school years were spent in a 1-room country school. Before I could enter high school I was obliged to take a year and a half in grade school—the Adams School—where, under the most efficient training of Della K. Yingling, I had many of the rough edges polished off.

In high school my Latin teacher was John S. Fair—a most ambitious young man with a leaning toward Army life, but filling in the interim with a heavy double schedule of teaching Greek and Latin by day, working on the morning newspaper by night.

Colonel Fair—as he later became—took an interest in my longing to write, and it was he who first introduced me to the inside of a newspaper office when he took my sister and me on a tour of the Tribune office.

Later he encouraged my early attempts at column writing. Because I was shy and retiring, I did not sign my name. Instead, I used the Greek initials for my name—Gamma Kappa—I learned the Greek alphabet through listening in to class recitations during what was supposed to be study periods. I can still hear the clear, ringing voice of the teacher reading passages from the textbook in a way to make them sound like sublime music—even though I did not understand the words.

Sue Schwartz, a daughter of the Tribune's editor, was at that time editorial assistant, and when she began planning her marriage to Prof. Joseph Barker—everyone called him Professor Barker—I set my sights as next in line for the job.

I was a real greenhorn. Today I would not have the courage to ask for a job in a newspaper office, but I did make good. Like Barkis, I was "willin'" to learn, and under the kind and patient tutelage of Mr. Schwartz I soon became familiar with editorial duties, reading proof, writing heads for inside copy, editing the country correspondence and, a little later, being sent out to cover educational or religious meetings of importance in the city.

I never learned shorthand, I never learned typing. Like my teacher, Mr. Schwartz, I began with a hunt-and-peck system on an old typewriter at home, though in the office it was all pencil work.

Sometimes I held copy while the editor did the proofreading on the ads, or statistics of various sorts.

And every now and then Oliver Danley, foreman in the composing room, would shout down the little well for more copy to be put in the tiny box and pulled upstairs by a rope.

I have never regretted leaving high school, for the experience I had under the tutelage of Wesley Howe Schwartz was to me priceless. Like the noted Msgr. Matthew Smith, now dean of Catholic publications, and famous editor of the Catholic Register, in Denver, Colo., who also served as proofreader and reporter on the Altoona Tribune, I feel that my association with Mr. Schwartz was in itself a liberal education. Just as Monsignor Smith gives credit to the wise and capable teaching—more by example than precept—of Wesley H. Schwartz, so do I feel that those 4 years of working side by side with this great man was far, far more valuable to me than any college degree I might have won, had I been able to go to college.

[From the Altoona (Pa.) Mirror of January 18, 1956]

A GREAT MAN

(By Grace K. Ebright)

Addressing Williams College alumni almost a hundred years ago, President James A. Garfield made the immortal statement concerning Mark Hopkins, the president of the college, 1836 to 1872: "Give me a log hut with only a simple bench, Mark Hopkins on one end and I on the other, and you may have all the buildings, apparatus, and libraries without him."

The famous quotation has been often used as "Mark Hopkins on one end of a log and I on the other," to express the powerful influence of a great man's mind.

And it is with a feeling of a reverence somewhat like that of Garfield when I pause to pay tribute to the helpful influence on my mind that was given in the few years I was privileged to be an assistant to Wesley Howe Schwartz, editor of the Altoona Tribune for 40 years where, through his scholarly editorials and wise presentation of facts, he became a great influence for good and was considered one of the brainiest men of his day and time.

He was self taught. All his life books wielded a powerful influence over him and he told me that the first dollar he ever made went for a book.

How his reading was guided and directed I do not know, unless by Providence, but he soon cultivated a taste for the best in books and periodicals and once a week he would go down to Joe Bridenstein's newsstand on 12th Street and come back with an armload of the best in magazines—Harper's Bazaar, Atlantic Monthly, Review of Reviews, to mention just a few.

His family had to live in a big house, in his later years, to make room for his big library—one of the finest in the city. As I visited often in the home, I remember how crowded bookcases were to be found in every room, the halls, all the bedrooms and even the kitchen.

In later years the family moved to a big brick house in Fairview and there was a spacious sunporch where Mr. Schwartz did his writing and most every time I visited there, 1 or 2 of the huge Maltese cats would be found fast asleep on the desk top, amid the pages he was writing, or on the books he kept ready to browse in.

Unobtrusively, Mr. Schwartz was a good influence on my reading habits, lending me good books to read. And a good book was always my pay for carrying on, as best I could, in the office in his absence.

He was frequently called on to speak before religious or educational groups and he was absent on lodge nights and if he went out of town he was sure to bring me back a good book on his return.

He gave me the golden key to the treasure house of the printed page and through him I learned that with a mind fortified with good reading, or with good books at hand, one need never be idle or lonely and never beset by the present-day plague, even in young children, that constantly demands entertainment.

For many years he wrote a popular column which he signed "The Saunterer" and which, though often of a personal nature, carried a fund of worthwhile information.

In his later years he wrote often and much of his experiences as a youth when he worked on the Juniata Canal, long since passed into oblivion; but hearing him tell of those long-ago days it seemed to me I could recapture the magic of the slow-moving barges on the still waters—barges drawn by mules on the well-worn towpath alongside the canal.

Passengers and freight were hauled and nobody then complained about lack of speed. Travelers or shippers were too glad of any means of transportation in the fairly new country.

THE ESTATE OF JOHN A. SUTTER

Mr. YOUNGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a committee report.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. YOUNGER. Mr. Speaker, I have today introduced a bill authorizing an appropriation of $50,000 to the estate of John A. Sutter. This claim has a rather unique history.

The original petition of John A. Sutter, praying for compensation for land owned by him in California, and held under Mexican grants, which was settled upon and occupied by settlers from the United States, under the plea that it was public land, after the conquest of California, and indemnity for the seizure and destruction of large quantities of his livestock by parties of emigrants from the United States, was submitted to the Congress on January 15, 1866. The petition was referred to the Committee on Claims and printed as Senate Miscellaneous Document No. 38, 39th Congress, 1st session.

On June 30, 1876, 41st Congress, 1st session, the Committee on Private Land-Claims submitted the following report to accompany H. R. 3818:

The Committee on Private Land-Claims, to whom were referred the memorial and attendant papers of John A. Sutter, have had the same under consideration, and now ask leave to report the accompanying bill (H. R. 3818), and to recommend the passage of the same (H. Rept. 718, 44th Cong., 1st sess.).

During the 46th Congress an appropriation bill was again introduced for the relief of John A. Sutter, known as H. R. 5678.

This was considered by the Committee on Claims, which recommended its passage in a report—No. 867—of the 2d session of the 46th Congress, dated April 8, 1880, which read as follows:

JOHN A. SUTTER

Mr. Dickey, from the Committee on Claims, submitted the following report:

The Committee on Claims, to whom were referred the memorial and papers of John A. Sutter, asking relief, respectfully report that they have had the same under consideration, and find:

That it appears from the memorial signed by Gen. W. T. Sherman and other prominent and distinguished Army as well as Navy officers, who were operating as such in California and on that coast during the Mexican War, and a large number of prominent and well-known citizens, early residents of that State, "that they were and are familiar with the history and career of Gen. John A. Sutter during many of the years of his residence in that country, and conversant with his deeds of public philanthropy and private generosity in the early days of the settlement of California."

These memorialists, who are personally cognizant of the willing sacrifices made and the important part taken by General Sutter in the development of the great empire of human prosperity, bear strong testimony to his merits, and the duty of the United States to provide for his support, during the few remaining years left him, in a manner becoming his former position in life and among men.

In this connection your committee deem it not improper to state that it appears from the reports of the exploring expeditions of Wilkes and Frémont that before the acquisition of California by the United States, General Sutter, then a resident of that country, was a man of great influence as Mexican military governor of upper California; that he was possessed of great wealth, consisting of large grants of lands from the Mexican authorities, and immense herds of horses, cattle, sheep, etc.; that as a colonial head, through his energy and bravery, he had succeeded in subduing and partially civilizing the wild tribes then inhabiting the country which is now the great State of California.

For the purpose of establishing and maintaining his colony, and subduing and controlling the Indians he found there, he constructed what has since been known as Fort Sutter, and mounted it with artillery. By this means and by the use of the Indians in his employ and under his control he protected his immense herds of stock and cultivated his large fields of grain.

His known devotion to the principles of American institutions drew to his fort and to his support many American settlers.

We find the following account of General Sutter and his operations in California contained in the Report of the Exploring Expedition of Admiral Wilkes (vol. 5, pp. 178, 179), in which Lieutenant Commandant Ringgold states that—

"When Captain Sutter first settled here in 1839 he was surrounded by some of the most hostile tribes of Indians on the river, but by his energy and management, with the aid of a small party of trappers, he has thus far prevented opposition to his plans. He has even succeeded in winning the good will of the Indians, who are now laboring for him in building houses and a line of wall to protect him against the inroads or attacks that he apprehends more from the present authorities than from the tribes about him, who are now working in his employ. The extent of his stock amounts to 1,000 horses, 2,500 cattle, and about 1,000 sheep, many of which are now to be seen around his premises, giving them an appearance of civilization. The duties I have already named might be thought enough for the supervision of one person, but to these must be added the direction of a large party of trappers and hunters, mostly Americans, who enter into competition with those of the Hudson Bay Company, and attention to the property of the Russian establishment at Ross and Bodega, which has just been transferred to him for the consideration of $30,000.

"During our stay, there was much apprehension on the part of some that the present governor of the district next west of New Helvetia—the name of Sutter's possessions—felt jealous of the power and influence that Captain Sutter was obtaining in the country, and it was thought that had it not been for the force which the latter could bring to oppose any attempt to dislodge him it would have been tried. In the meantime Captain Sutter is using all his energies to render himself impregnable."

This is the official account of the operations of General Sutter by one of our most distinguished naval officers in 1841. Afterwards, General Sutter was visited by Col. John C. Frémont, in charge of an overland exploring expedition sent out under the direction of the United States, who reached Fort Sutter with his surveying party in an almost starving condition; and, as shown by the official report of Colonel Frémont, General Sutter showed himself a generous friend to the Americans, and immediately supplied Colonel Frémont and his party with fresh horses, mules, and other necessary supplies. It appears from all the official reports that General Sutter made no secret of his American sympathies.

In the fall of 1845, the war between the United States and Mexico being in contemplation, the Mexican authorities, distrusting General Sutter, and being desirous of dislodging him, sent a commission composed of Senator Castillero and General Castro, governor of California, authorized to purchase the New Helvetia possessions from him. This commission offered Sutter $100,000 in money and the mission lands of San José and the cattle belonging to the same, where he would be less dangerous than in the interior, for his fort and possessions. This offer, as shown by the secretary of the commission, was declined by General Sutter on the ground that he did not desire to leave his American settlers to the mercy of the Mexicans.

Soon after this the war between the United States and Mexico was declared, during which the War Department, being informed of the sympathy of General Sutter with the United States, gave confidential instructions to Gen.

S. W. Kearny, who was ordered to California, as follows:

"It is understood that a considerable number of American citizens are now settled on the Sacramento River near Sutter's establishment, called New Helvetia, who are well disposed toward the United States. Should you, on your arrival in the country, find this to be the true state of things there, you are authorized to organize and receive into the service of the United States such portions of these citizens as you may think useful to aid you to hold possession of the country." (See S. Doc. No. 5, p. 29, 30th Cong.)

It seems that Colonel Frémont, who was at that time engaged in another surveying expedition, reached Fort Sutter before General Kearny, and being well acquainted with General Sutter and knowing his sympathies for the United States, proceeded, with the sanction of Sutter, to form a battalion from among General Sutter's men, with which the United States held that part of the country and protect the Americans there. Sutter's fort was the base of the operations of the Americans. The history of the war shows that on the 7th of July 1846, the American Commodore Sloat took possession of Monterey and hoisted the American flag, and on the next day an English fleet under command of Admiral Seymour appeared at that port for the purpose of possessing the same in the name of Great Britain, pursuant to negotiations between that power and Mexico for the cession of California to England. There is no doubt but the authoritative and formal possession of California by the United States was greatly hastened by the friendship and timely assistance of General Sutter. His invaluable service in that regard is shown by the statement of General Sherman in a letter to a personal friend, recently published, in which he says, that "to him [Sutter], more than any single person, are we indebted for the conquest of California, with all its treasures."

Public history shows that General Sutter seemed to have had a prophetic appreciation of the growing power and ultimate success of the United States in the Mexican War. The triumphant advance of our armies to the Pacific coast and the change of jurisdiction were hailed with joy, and our forces were cordially welcomed by this eminent pioneer, whose large possessions were thus brought under the power and protection of our Government.

But the political change with thus brought the petitioner and his flourishing colony into the embrace of this Republic, and which seemed to promise so much for the increase and security of the wealth accumulated by his long and laborious exertions, was not destined to confer any benefit whatever upon him. That which enriched the whole country and gave sudden fortunes to numerous adventurers brought nothing but disaster to General Sutter. The discovery of gold in 1848, which was first made in digging a millrace by him, caused a great rush of settlers from the States, many of whom forcibly occupied his lands.

The rejection of his Sobrante grant of 22 leagues of land by the Supreme Court of the United States, after it had been pronounced valid by the board of commissioners and by the United States District Court of California, completed the record of his ruin. This grant contained about 97,000 acres of land, for which, at the minimum price, the Government received about the sum of $122,000.

It appears that on December 22, 1844, Manuel Micheltorena, governor and commandant of the Californias, conferred upon General Sutter the power and authority of granting lands within that governmental department to citizens; which grants made by General Sutter, under that authority, have been confirmed by the courts, and the lands patented to the grantees by the United States.

At the time that Governor Micheltorena conferred this power on General Sutter he promised Sutter, in consideration of military services rendered by him to the Mexican Government, to grant him the Sobrante lands belonging to the New Helvetia grant, and but a few weeks thereafter, and on the 5th day of February 1845, actually made the grant promised. So it seems the grant made directly by Micheltorena to General Sutter was rejected by the court on the sole ground of the want of authority in Governor Micheltorena to make such a grant; while the grants made by Sutter, under authority delegated to him by Micheltorena, were approved by the board of commissioners and the district court of California as valid, and titles thereto passed from the United States to such grantees.

It is scarcely to be doubted, however, that under the Mexican Government, Sutter's Sobrante grant would have been confirmed, while under ours the spirit of the preemption and homestead laws produced such a popular feeling against large grants of land, that even the administration of justice by the courts seems to have been brought insensibly, and perhaps naturally and correctly, under its control.

The decision of our highest tribunal against the validity of this grant must be accepted as an authoritative adjudication of that question, which leaves no other authority for Sutter to appeal to but Congress.

In a number of similar cases Congress has not hesitated to give relief in some form or other; usually by authorizing the parties whose grants had been rejected to enter the lands embraced in the rejected grants at the minimum price, and thus save themselves from the consequences of the failure of titles they had warranted; notable among these is that of the Vallejo grant, rejected by the Supreme Court. In that case Congress passed a special act for the benefit of the grantee and his assigns.

It is very certain that no other case could appeal more strongly to the cause of justice or the sympathy of Congress than that of General Sutter. The actual losses he has sustained, as shown by his memorial, and which is corroborated by the statements of others, summarized, are as follows: Expenses in money and services, which formed the original consideration of the grant, $50,000; surveys and taxes paid on the same, $50,000; cost of litigation, extending through years, including fees to eminent counsel, witness fees, and traveling expenses, etc., $125,000; amount paid out to make good the covenants of deeds upon the grant over and above what was received from sales, $100,000; making a total loss to him of $325,000, as a result of the decision of the Supreme Court.

Aside from this actual loss, it must be borne in mind that the value of the grant of which he was thus dispossessed, had it been confirmed to him, would, upon a moderate estimate, have reached the sum of $1 million.

The petitioner is not asking the Government to make compensation in reference to the land, inasmuch as it cannot be appropriated in the manner adopted in other cases. However, the precedents would seem to justify an act for the relief of the petitioner. The other losses sustained, and services rendered by him, may well be considered as persuasive to a fair and liberal provision being made by Congress for him.

The committee finds that the Committee on Private Land Claims, of the House of Representatives of the 44th Congress, to whom the memorial of the petitioner was then referred, made a report to the House on June 30, 1876, recommending the passage of a bill appropriating $50,000, to be paid Gen. John A. Sutter, in full satisfaction for his services and losses, and whatever equities he may have had under the said Sobrante grant. Inasmuch as the same relief cannot now be afforded him that has heretofore been extended to others in similar cases, because the lands embraced in the said Sobrante grant have long since passed from the possession of the United States to individuals, and cannot be appropriated to him upon his paying to the Government the minimum price of public lands, therefore your committee would recommend the payment to the petitioner in full of his claim a sum in gross, and for that purpose report the accompanying bill, and recommend its passage.

Unfortunately, the 2d session of the 46th Congress adjourned very abruptly on June 16, 1880, without taking final action on this claim. On June 18, 1880, Gen. John A. Sutter passed away while here in Washington fighting for his rights. Gen. Hugh Gibson made the following statement about General Sutter's death:

He died under the shadow of the Capitol of the people whom he had served so well, and should not have met such cruel neglect and such harsh injustice.

A granddaughter of General Sutter is a constituent in the Ninth District of California.

According to the records of this House, this claim of John A. Sutter is a just and proper one and had been recommended for passage both in the 41st and 46th Congresses.

Even at this late date, I think the Congress should approve this claim, which our own committees at the time the claim was filed declared just and proper.

UPPER COLORADO PROJECT IN SERIOUS GEOLOGICAL DIFFICULTY

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, it was impossible during the hearings on the proposed upper Colorado River storage project to get any satisfactory geological testimony from Bureau of Reclamation officials and geologists as to the conditions in the vast reservoir area behind the proposed Glen Canyon Dam. For this reason I made a personal trip into the area and have discovered some startling geological facts. They indicate that before proceeding further with any legislative phase of the proposal, a complete and thorough geological study of the entire area must be made.

The cost of this project is too great to proceed further on anything less than full and complete information of the kind I am calling for.

Fifty miles of the immense walls of the long, narrow reservoir site are comprised of rock so soft that it swells to nearly twice its size and disintegrates when touched by water. The reservoir would extend 186 miles along the Colorado River and 70 miles along the San Juan River.

The soft rock—known as Chinle shale—forms immense cliffs in numerous areas that would be covered by water impounded by the proposed 700-foot high Glen Canyon Dam. The dam, known as the cash register of the upper

Colorado project now before Congress, was designed to produce power revenues to pay off some 30 other units of the project that cannot pay for themselves.

I have been advised by independent geologists that the reservoir's water would swiftly disintegrate the Chinle shale, and it would flow downslope into the reservoir. More importantly, it would undermine and cause collapse of all overlying cliff-forming rocks. All of the broken debris, including blocks of standstone as big as houses, could move downslope and partially or completely fill the proposed reservoir in the extensive areas of Chinle shale.

If this is permitted to happen, the finances of the entire upper Colorado River project would collapse with it.

The Nation's taxpayers would be left with a billion dollar mud puddle.

Congress should withhold any consideration of the legislation pending a full and complete geological survey and report of the site.

What I have said is based on a personal investigation I made of the reservoir area last December in the company of two independent consulting geologists. The expedition was made by helicopter to remote sections of the reservoir site in northern Arizona and southern Utah. Several hundred pounds of the Chinle shale were gathered and flown out for laboratory tests.

Reports of the distinguished geologists who accompanied me to Glen Canyon show that if this Chinle shale is brought in continuous contact with water from the proposed reservoir it would immediately disintegrate and flow down slope into the reservoir.

Obviously, with evidence such as this, obtained from unimpeachable sources, the least that can be said is that there are sound reasons why Congress should not approve this immense investment of public money.

The geological investigation and the collection of rock samples was done by Harold W. Hoots, Ph. D., and Peter H. Gardett, consulting geologists.

The landslides which could occur would be of unbelievable size to anyone except a geologist. Much of the Chinle shale, now dry, supports several hundred feet of overlying Wingate and Navaho sandstone which could collapse into the reservoir when the Chinle disintegrated in water.

The size of the landslides which could occur may be pictured by considering the fact that the Chinle itself has a thickness of 800 to 1,000 feet in the drainage area of the San Juan River, for instance. On top of the Chinle are the great cliff-forming sandstones.

The whole upper Colorado River project woud cost the taxpayers more than $4 billion, and it would be entirely unworkable without Glen Canyon to produce power revenues. I have advised the White House, the Secretary of the Interior, and the chairman of the House Interior and Insular Affairs Committee of this condition and requested that any further consideration of the upper Colorado River storage project be delayed until geologists can make a full and complete investigation of the reservoir site. We must know for sure before proceeding further whether the taxpayers would be buying a good project or a billion-dollar mud puddle. The dangerous qualities of Chinle shale are evidenced by the following extracts from geological survey studies:

THE KAIPAROWITS REGION

(U. S. Department of the Interior Geological Survey, professional paper 164 (1931), by Herbert E. Gregory and Raymond C. Moore)

Page 53: "The Chinle formation includes the group of shales, 'marls,' thin soft sandstones, and limestone conglomerates lying between the Shinarump conglomerate and the Wingate sandstone. * * *

"Records show that the Chinle is thickest in northeastern Arizona and southwestern Utah—320 to 393 feet in Upper Glen Canyon, and 830 feet in the San Juan Canyon."

Page 57: "A fragment of fresh rock immersed in water swells to nearly twice its bulk, and after drying is nothing more than a pile of disconnected, irregular grains; alternate drying and wetting produces a substance part of which passes through filter paper. Under the microscope most of the material appears to be colloidal."

Page 145: "When the Chinle 'marlys' and shales on steep slopes are saturated they seem to move by their own weight, carrying their broken strata and talus blocks to lower levels. At the south base of the Paria Plateau slides in the Chinle have spilled over the Shinaraump conglomerate and down the Moenkopi cliffs to the Kaibab below, and at a place about 14 miles south of the Burr trail the Chinle beds have lost their hold and have slid, accompanied by huge fragments, over the upturned beds of Navaho standstone, down the west side of the Halls Creek Valley in a jumbled mass that is roughly three-fourths of a mile wide, 1½ miles long, and 80 feet deep."

Page 146: "As viewed from the rim of the Kaiparowits Plateau at Fiftymile Point the landslides are impressive. The slopes below the capping Cretaceous sandstone constitute a field about 2 miles wide and 10 miles long, everywhere strewn with boulders, the largest of which are square blocks of sandstone 40 feet thick. Successive slides have banked the materials in huge ridges like a series of terminal and lateral moraines.

"Except in areas of Chinle and tropic shales landslides were not observed. The steep slopes of other formations are bare or coated with only ribbons and scattered patches of debris."

THE SAN JUAN REGION

(U. S. Department of the Interior Geological Survey, professional paper 188 (1938), by Herbert E. Gregory)

Page 49: "The position of the relatively soft Chinle between two cliff makers accounts for its preservation in a region where erosion is vigorous."

Page 102: "In the Chinle formation the conditions for producing slides are exceptionally favorable. The thin sandstone beds readily break into talus fragments, and the 'marl' beds when saturated seem to move by their own weight. * * * Instability is further shown by mud flows that after heavy rainfall issue from the base of slides. In places recurrent movement is indicated by the arrangement of material in parallel ridges on Chinle slopes and by unconformities in the piles of debris successively pushed over cliffs."

NEW YORK BANKERS' GRAB FOR POWER OVER CONSUMER CREDIT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, I do not believe that Congress will turn over to the New York bankers authority to regiment the American consumer, as proposed by the president of the New York Federal Reserve Bank, Mr. Allan Sproul. Mr. Sproul is also vice chairman and operations control officer of the Open Market Committee of the Federal Reserve System, which is the most powerful group of 12 men ever in existence under our form of government in the United States of America.

The New York bankers, who elected him to his job, have seen their general tight-credit, high-interest-rate policies put into practice to the detriment of the farmer, the small businessman, the home buyer, and the taxpayer. Not content with their power to manipulate general monetary policies, they now want to bring under selective control the regulation of consumer credit. The Federal Reserve's, and particularly Mr. Sproul's, open-mouth policies in the last 6 months have led to a substantial tightening up and higher interest rates to consumers. Restrictive credit policies already have had severe repercussions on the homebuilder and now automobile layoffs are becoming widespread.

We know that consumer credit today has become just as essential to mass consumption as commercial bank credit became to mass production back in the 1920's. About 60 cents out of every dollar of retail sales depends on consumer credit. Its importance to production and employment is seen from the fact that 65 percent of all automobiles and 50 percent of all major appliances are now sold on credit; durable goods purchases on installment credit amount to some $20 billion a year. This installment credit is the average man's credit, for unlike our wealthy citizens, he cannot accumulate large savings. It is the only means he has of saving. Many of our families can acquire today's necessities and improve their standard of living only through its use; 3 out of every 5 American families buy goods in this way.

It is interesting to note that at the end of 1953, the same people who now want to regiment the consumer viewed with alarm the runaway expansion of consumer credit as reported each month by the Federal Reserve. If regulation W had been revived then or some other restrictive action taken, there would have been an artificially forced contraction in the amount of consumer credit outstanding, and we might have had a depression on our hands instead of just a recession.

The experience over the years, and particularly in 1954, shows that both borrowers and lenders are sufficiently alert and responsible not to carry the credit expansion process to excess. I prefer to let free American citizens—the lender and the borrower—make their own decisions about the amount of credit to be extended and used.

I also challenge those who contend that consumer credit is too high. By what standard does Mr. Sproul measure outstanding consumer credit, which he has judged as too high? By the standard of the 1930's or by the requirements of a full employment economy?

It has been estimated that in the next decade, we must add over $100 billion to our present standard of living to reach the levels of personal consumption needed to support President Eisenhower's goal of a $500 billion gross national product. In my judgment, the slowdown in business credit sales to consumers, as a consequence of Mr. Sproul's alarmist propaganda about the excessive level of consumer credit, has created a serious obstacle to reaching that goal. If anything, use of consumer credit needs to be expanded—not contracted—if we are to increase purchasing power sufficiently to support the needed rise in retail sales.

I have just received a very interesting letter from Mr. George M. Clark, president of the Pioneer Bank of Chattanooga, Tenn. Mr. Clark has provided me copies of a letter he wrote to Mr. Sproul on January 14, 1956, Mr. Sproul's January 16 reply, and also Mr. Clark's later letter of January 20 to Mr. Sproul. These letters are self-explanatory.

PIONEER BANK.,
Chattanooga, Tenn., January 26, 1956.

The Honorable WRIGHT PATMAN,
House Office Building, Washington, D. C.

DEAR CONGRESSMAN PATMAN: Your recently reported opposition to selective credit controls on consumer credit, which I heartily approve, leads me to believe that you may be interested in the enclosed correspondence between me and Mr. Sproul in which I express my support of the position that you have well taken.

With best wishes,
Sincerely,
GEO. M. CLARK,
President.

PIONEER BANK,
Chattanooga, Tenn., January 14, 1956.

Mr. ALLEN SPROUL,
President, Federal Reserve Bank,
New York, N. Y.

DEAR MR. SPROUL: It has concerned me greatly to note that you have recently recommended that the Federal Reserve banks be granted permanent authority for selective credit controls.

I should tell you that I very highly approve efforts that are being made to tighten credit in the current Federal Reserve program. The current program calls for quantitative controls. These quantitative controls operate with the same effectiveness in restricting credit for consumer credit as they do in restricting credit of the commercial type.

My objection to qualitative or selective credit controls is that they invade the field of individual freedom and place individual borrowers and lenders in a straitjacket of arbitrary rules having no relations to the man's needs, salary, the credit, and the necessity nature of the credit.

I hope this discontent will be as apparent to you as it is slowly becoming apparent to others who have little practical experience in the field of consumer banking.

Sincerely yours,
GEO. M. CLARK, *President.*

FEDERAL RESERVE BANK OF NEW YORK,
New York, N. Y., January 16, 1956.

Mr. GEORGE M. CLARK,
President, Pioneer Bank,
Chattanooga, Tenn.

DEAR MR. CLARK: Thank you for your letter of January 14. It is good to have one's ideas challenged, and if you base your challenge, to some extent, on the charge that I have had little practical experience in the field of consumer banking, I must plead guilty.

I have had considerable experience, however, in the field of general credit policy, and I cannot agree with you that quantitative credit controls operate with equal effectiveness, and timeliness, in restricting consumer installment credit and commercial credit. This opinion, and the collateral opinion that abuse of consumer installment credit can be a serious unstabilizing factor in our economy, lead me to subordinate my own preference for pervasive general credit controls, and to advocate certain supplementary selective controls. It is a case, as I see it, of the general national interest taking precedence over what are claimed to be the interest of some individuals. Even on that score, however, I question whether consumer installment lending under selective credit controls would have to be conducted under arbitrary rules having no relation to a man's needs, salary, credit standing and the nature of the credit.

Maybe you only read news comments on my recent talk. Enclosed is a copy of the complete text of my talk so that you can read exactly what I said.

Yours sincerely,
ALLAN SPROUL,
President.

PIONEER BANK,
Chattanooga, Tenn., January 20, 1956.

Mr. ALLAN SPROUL,
President, Federal Reserve Bank of
New York, New York, N. Y.

DEAR MR. SPROUL: Thank you for forwarding to me a copy of your speech with most of which I am in accord. I have been quoted in our local newspapers as approving the Federal Reserve's tightening of credit.

In looking back through an old file, I find a letter addressed to Senator MCKELLAR in which I describe in detail a situation in which regulation W interferred with a man's freedom to the jeopardy of his job. This man's credit, with a short downpayment or extended maturities and maturities extended beyond the 15-month limit, was perfectly sound. Certain language in that letter indicates my indignation about a set of arbitrary and inflexible rules which prevented us from extending a sound credit to a man whose need was definite and commendable. On the other hand, the regulations authorized us to finance an automobile for a person who was merely buying a second and little-needed automobile or who could easily defer his purchase and this would have contributed equally as much to total outstanding consumer credit as would have the financing of Mr. Bell's automobile.

The record of repayment on consumer credit during the 1933 period and subsequently, as compared to the loss on commercial loans, Government bonds and triple A bonds has led me to comment, "the finest financiers and money managers are not found on Wall Street or in Washington, but instead are found among those millions of honest Americans who use installment credit in financing the running of a home and in realizing their hopes, aims and ambitions by means of installments paid out of incomes."

Statistics show that 2 percent of the people are so lacking in moral fiber that neither loans nor credit can be extended to them safely. There is another 5 percent whose minds are so childish and whose self-restraint is so lacking and their planning so poor as to be dangerous as credit risks without a previous intention to default. Thirteen percent of the people by chance, good fortune, fine minds, good planning, thrifty natures, abundant self denial and sufficient strength of character, accumulate resources and capital in advance of their expenditures.

The upper 13 percent screen themselves out of the consumer credit picture. Intelligent lenders can be trusted, for their own selfish interest, to screen out the bottom 7 percent. It is the remaining 80 percent that are perfectly honest, either because of family obligations or being without a sufficient amount of self-denial to embark on a program of voluntary planning of capital accumulation, have used consumer credit to a varying degree and at varying degrees during a lifetime. In the aggregate, this group possesses a substantial amount of wealth, but it is largely accumulated in forms where salesmanship was used in committing them to a program of accumulating or paying for things of a tangible nature and utility value. Such things as insurance, a home, automobile and the necessary machinery of a modern home.

After committing themselves to such accumulations out of income and after considering their ability to make their payments and convincing intelligent merchants and lenders that they can do so, this group performs with uncanny certainty.

This may surprise you. In getting up some figures for inclusion in my report to the stockholders meeting to be held next Wednesday, I found that our bank during the past 5 years, had extended loans totaling $122,173,130.97. This sum is about 60 percent commercial loans and 40 percent installment credit. Net noncollected charge-offs were only $22,046.75 or eighteen one-thousandths of 1 percent. Now an interesting comparison to this amazing record: At the beginning of 1955, our bank held $5,935,898.15 in Government bonds and at the year end, December 31, we held $5,173,238.60 The net loss on these bonds during that 1 year amounted to $117,666.96 or 1.98 percent or exactly 11 times the percent of loss on the loans. Actually our loss in market value in the bonds last year is greater than all of our losses for more than 8 years with an average loan outstanding for that period slightly in excess of $9¼ million.

I really don't know how much interest you will have in these figures which I am sure are borne out generally at other banks that are experienced in consumer banking. I would like to assure you that I am not engaging in this correspondence for the selfish reason that I want to extend more loans at far more extended terms or that I am opposed to regulation W for any selfish reasons other than the cost and expense of multitudinous reports and for its restrictive effect on services to our customers. If I should think selfishly, I would actually prefer that competitors less conservative than we should be made arbitrarily to conform to terms that we regard as sound. Their competition has been embarrassing in quite a number of cases and we have lost volume to other organizations more venturesome. With $13,447,914.13 in net outstanding loans out of total resources of $25,598,570.91, we do not care for more loans.

I can assure you that the decline in market value of Government bonds, our own climbing loan totals have caused this bank, and I am sure all others, to screen loan applications in total with greater care and discrimination. This applies in our case and I am sure in others with at least equal volume in consumer loans as in commercial loans. To be factual about it, there is a tendency, when lendable funds are limited, to reduce the purchase of installment paper or avoid loans on automobiles and the like where purchasers or borrowers are not customers of our savings or checking department in order to retain lending capacity for extension of commercial loans to the larger checking account customers.

In our bank, with an ability to make loans ourselves, our lines to loan companies and finance companies have been avoided. The one line of credit of around $75,000 we had extended one small loan company has been liquidated at our request. It was taken in the first place only because we were favored with their checking account.

I am certain, from my contacts with friends in the finance business, that other local banks are dragging their feet in extending further lines and are cautioning their borrowers against extended terms. Some of these friends and friendly competitors have contacted us to see if we wanted to take over part of their lines, so I am certain of these facts. Some of these finance companies are becoming more discriminating about their dealers and most of them are actually opposed to the terms that a minority of finance companies are offering. Associates Discount is probably the worst offender with no down payments and extended terms.

I can positively assure you without any doubt in my mind, that the current restrictive credit policies of the Federal Reserve, which I applaud and support, are bearing downward with equal if not greater pressure on consumer credit extensions here in Chattanooga. My knowledge of consumer credit throughout the country, gained during three years as president of the Consumer Bankers Association, leads me to believe that the same conditions prevail throughout the Nation.

Unfortunately it has been only relatively recently that bankers in general would have cared to have anything to do with consumer credit and it is only since the advent of what was to be an emergency measure, FHA Title I, that the banks began to have confidence in the soundness of this type of loan and began to dabble with it. It is not surprising, therefore, that bankers in general are without information and a complete understanding of the subject and that a great deal of misinformation exists.

Like you, I make no pretense of being an economist. Nevertheless, I have done a great deal of reading and a great deal of research in an attempt to discover the underlying reasons for our great production, our higher standard of living resulting from the great burst of human energy peculiar to this Nation.

I have spent 3 months in England and in Europe on 2 different trips in an attempt to discover the reasons why they have not gone forward as has this country.

I am convinced that the basic underlying reason for this great burst of energy was the concept of individual freedom and individual responsibility that was formerly embodied in our Constitution and in our concept of government and put into practice for the first time in history. With this conviction, I naturally regard any arbitrary interference with individual freedom as being a step backward and retarding to as rapid a further increase in the level of living as we might have. Indeed, too much of these interferences and loss of incentives could result in a lowering of our present standard of living.

The child who is prevented from burning his finger on a match may confidently walk into a furnace. A person shielded from small financial experiences of an unhappy nature may later make a large and fatal mistake.

In my opinion, there is no theoretical good that can come of dictating the terms under which each individual can and cannot borrow that would justify such an invasion of his freedom.

It would please me greatly if you should be impressed by my reasoning and my opinion.

With best wishes,

Sincerely,

George M. Clark,
President.

CACHE FOREST WATERSHED

Mr. DIXON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DIXON. Mr. Speaker, I call your attention and the attention of the Members of the House to a bill which I am introducing today to provide additional authorization of appropriation for the purchase by the Secretary of Agriculture under the Act of May 11, 1938, of lands within the boundaries of the Cache National Forest in the State of Utah. The authorization is $200,000, or so much thereof as may be necessary to match funds raised by counties, municipalities, and civic organizations and individuals of Weber, Cache, and Davis Counties.

The purpose of the land purchase is to continue to buy sections of land on the high passes above Ogden, Brigham City, and Logan City, where the passes are unraveling and thereby threatening the culinary water supplies of these thickly populated areas, causing damaging floods, filling the Pine View Reservoir with silt, and washing off the valuable top soil of the watershed. The threat to the civilization below is so grave that individuals, public officials, and civic groups spontaneously organized themselves into two watershed protective associations. These associations have collected on their own initiative $92,485 with which they have purchased 31,960 acres, with the help of some Federal aid, which constitutes a considerable portion of the watersheds above the 20 municipalities most seriously threatened.

After their acquiring these impaired watershed lands and deeding them to the Federal Government, the Government has placed the lands under the supervision of the Forest Service. The Forest Service, as a result of its splendid research, has already proved that through terracing, reseeding, and scientific range improvement, it can and has transformed these danger spots into a condition where there is no erosion, no danger of floods, and a marked increase in the quality and quantity of the stream flow and especially that water which comes out as springs and stream flow in the late summer when it is needed most, rather than rushing down the steep mountain slopes as floods immediately upon the melting of the snows.

About 10 years ago, a representative of the regional forest office in Ogden, Utah, took me to Snow Basin, which is located 14 miles from Ogden City. This basin constitutes one of the principal sources of water supply for Ogden City and Weber County. It is also the site of the Snow Basin ski lift and recreation area. He showed me, first pictures of acres in the basin before the land was taken from private ownership and then showed me the exact spots as they look now. He also showed me a bottle of water taken April 16, 1936, from Wheeler Creek. The water was taken immediately below Snow Basin at the point where Wheeler Creek flows into the Ogden City water main. The pictures taken in 1936 showed the basin to be practically a dust bowl with hundreds of cattle fighting flies and a number of dead critters decaying on the banks of the stream. The pictures showed the unraveling of the watersheds on the divides and huge deep gulches cut by the floodwaters as they rushed from the divides down into Wheeler Creek and Wheeler Canyon. What were formerly raw chasms are now healed over with a healthy growth of grass and underbrush and there have been no more floods.

I am delighted to testify to you today that the transformation made in Snow Basin since 1936 has been phenomenal. Instead of a dust bowl we have grass above the knee, made possible through the reseeding done by the Forest Service. Instead of almost all of the water running off in floods with the spring thaw, the water sinks into the sod and comes out in springs in July and August when it is needed.

The bottles of water taken at the intake of the city main in April showed very little sediment, while the sample of water taken April 6, 1936, showed sediment one-fifth of the way up the glass. The reseeding and reforestation has increased the water flows in the city main almost one-third. The results have been nothing short of astonishing.

I refer to this transformation, which I have witnessed with my own eyes over a period of 17 years, as being typical of the transformation that is taking place on the watersheds which we are purchasing from private ownership and typical of the transformation that will take place on the lands which we are asking your assistance to purchase.

As much as I admire the voluntary work of the Weber Watershed Protection Association and the Wellsville Mountain Area Protective Association, and as much as I appreciate the $10,000 which the Federal Government has given us the last few years out of the proceeds of funds collected on the Cache Forest, I am here to testify today that the rate at which lands on this impaired watershed have been acquired is far too slow and that we must step up our efforts immediately to purchase all of the dangerous sections located on the high divides. It is not only the imperative thing to do but it is also the economic thing to pass this authorization bill immediately.

The first reason why the Government should help now is that huge Federal investments are endangered. The one-hundred-twenty-odd-thousand people living below the watershed were shocked to discover when the Pine View Dam went dry this fall that Ogden City's artesian wells, which provide the major portion of the culinary water for Ogden City, Hill Air Force Base, Clearfield Naval Base, and the great Army Supply Depot, were covered with 6 feet of mud, whereas the last time the reservoir was drained, these artesian wells which have been covered by the water of the lake projected 4 feet above the reservoir floor. Our people were also shocked, upon investigation, to find huge banks of silt and mud all along the river bottom, which will be washed into the reservoir with next spring's floods.

Another thing that gives us all greater concern than we had hertofore is the fact that the Reclamation Service has now commenced work on raising the Pine View Dam at a cost of $10 million. This additional cost, together will the original cost, makes an investment of $12½ million in the reservoir. The entire project will be threatened if the watershed is permitted to be further neglected. The project and the watershed will be protected and insured if action is taken now by Congress to match the funds raised by our voluntary watershed protection organizations.

A second and less important reason why we should go the whole way in the purchase of these lands as soon as possible is the fact that when the communities commenced to buy these lands 20 years ago they paid only $2.50 an acre, while now some of their options on the lands run as high as $9 per acre.

The third reason for immediate action lies in the favorable options which the communities through their conservancy districts have obtained from owners of private cattle and sheep range. These options will expire soon. If we permit them to expire, we shall have to pay a much higher price for the lands than is stipulated in the old option agreements. A case in point is illustrated by a letter from Stanley Brewer, president of the Weber Watershed Protective Association, who writes under date of January 25, 1956:

> This morning we saw the culmination of many years' efforts. Mr. Ralph Davis met with our board and the county commissioners and the purchase agreement for approximately 4,800 acres of his property was consumated. This purchase includes the vital Cutler basin area which caused the floods that destroyed some of the summer homes in the North Fork, the area which has been under discussion so much the past few years.
>
> The county purchased about 2,200 acres of the lower portion for recreational purposes and our watershed corporation bound itself for the remainder. Our purchase, totaling approximately $17,000, is payable in its entirety within the next 3 years; so you see, we really need help.

Mr. Brewer's association has already paid $20,000 on another option, and also $36,800 on an escrow agreement for the purchase of 5,400 acres. They have been fearless in taking all manner of risks in order to save the communities and projects below these steep watersheds. They have taken the initiative in raising $165,000, part of it through the Federal Government, to buy private lands and deed these lands to the United States. There is no project that gives the people of Weber and Box Elder Counties greater concern than this project, and furthermore, there is no project that has the undivided support of the entire population as does this project.

Mr. Speaker, the Forestry Subcommittee of the great House Agriculture Committee visited part of this area last summer and are aware of the situation. We appreciate the fact that members of this committee, Representative GRANT, Representative HAGEN, Representative MATTHEWS, Representative WATTS, Representative MCINTIRE, favored us with this visit at a great sacrifice of their time and energy.

As it now stands, the local people can match Federal funds raised through the bill which I have just introduced, if it passes, in the amount of $92,100. The Kiwanis Clubs and other organizations are now in the act of raising more money. This $92,000 is the amount which the Federal Government should make available this year under my authorization bill.

"A stitch in time saves nine."

ADMINISTRATION MAKES ABOUT-FACE ON ISSUE OF TAX REDUCTION BEFORE DEBT PAYMENT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, President Eisenhower's budget message which was submitted to the Congress last week stirred up a great deal of interest and even more comment among the many observers in the Nation's Capital.

It has been said of this budget that it promises something for everybody. It is not unnatural, this being a presidential election year, the budget should reflect not only the needs of the Nation and the national economy, but national politics as well.

Speaking of the political aspects of the President's budget message I was impressed, as I am sure the overwhelming majority of my colleagues were, with the President's sympathetic appreciation of the problems of politics. This being an election year, he noted, it is not surprising to find the feeling in both parties that cutting taxes would be a wonderful idea. But the President said the objective of balancing the budget plus providing for a modest reduction in the national debt should come first.

Let me quote what the New York Times had to say about this part of the message:

> Many observers regarded this as a sleeper play by the administration. They noted that Secretary of the Treasury George Humphrey's forecast of the level of the economy next year—and therefore of revenues— seems conservative. They predict that before Congress adjourns the Treasury will come up with revised estimates that show a sizable surplus and will then propose tax cuts. (The New York Times, Sunday, January 22, 1956.)

I would not want to engage in a game of wits with the Treasury, or try to outguess their experts about the expected level of revenue. That is their job not mine. However, I do know what the Secretary of the Treasury has said in the past 6 months about tax cuts and debt reduction. The record will show that until this budget message appeared the Secretary placed tax cuts before debt reduction.

Back last August at the time of the midyear budget review, this is what the Secretary said when asked about tax cuts or reducing the debt—direct quotation of Secretary of Treasury Humphrey at midyear budget review, August 25, 1955, New York Times, August 26:

> Will you be able to tell the country in January whether or not to expect a cut in taxes?
>
> There again it will depend upon the prospects for increased revenue. If things look promising at that time I will not hesitate to urge reductions.
>
> I don't think any substantial reduction can be made in the Government debt until there's a different situation in the world.

At the time, this statement was such a disappointment to me, considering the huge size of our public debt and the growing annual interest burden, that I issued a statement deploring the lack of fiscal responsibility on the part of the administration for planning tax cuts before debt reduction. The statement was as follows:

> STATEMENT BY WRIGHT PATMAN, MEMBER OF CONGRESS, OF TEXAS
>
> Statements of the Secretary of the Treasury, Mr. Humphrey, to the effect that he is planning for tax reductions without even mentioning our high national debt and the importance of reducing it, are shocking.
>
> Our huge national debt is in serious competition with the progress of our country.
>
> The people are being called upon to go without needed conveniences, including automobiles and homes, because their purchase on the installment plan will be inflationary caused by our failure to properly reduce the national debt.
>
> All citizens, regardless of party affiliations, have a right to expect fiscal responsibility from the party in power.

During the fall of the year activity spurted up and a series of industrial price rises occurred. To meet and reverse this price rise the Federal Reserve tightened credit and raised interest rates. Government policy was geared to fighting inflation, although farmers and small-business men were not exactly sharing in the big boom. In the light of the Federal Reserve's actions however, I was startled, even shocked, to read that the Secretary of the Treasury upon returning from his visit to the hospital to confer with President Eisenhower stated in answer to a direct question whether tax cuts should not be put off and any surplus applied to the national debt, that "we ought not to at a time when our taxes are as high as they are now, have to pay down on our debt."

This direct quote appeared in the Wall Street Journal, October 17, 1955. I am inserting the article in its entirety at this point in my remarks:

> [From the Wall Street Journal of October 17, 1955]
>
> HUMPHREY STILL HOPES FOR BALANCED BUDGET BY END OF FISCAL 1956—HE SAYS HE TOLD PRESIDENT FEDERAL SAVINGS, PROSPERITY ARE BASIS FOR THIS VIEW
>
> WASHINGTON.—Treasury Secretary Humphrey flew back to Washington last night after giving President Eisenhower a rosy report on the economic situation, present and future.
>
> In his conferences with the convalescing President, Mr. Humphrey said he told Mr. Eisenhower he is still hopeful the budget will be balanced by the end of this fiscal year, next June 30, because of the rise in revenues brought about by the general prosperity and the savings which the Government is "working honestly and religiously" to make.

The economic momentum which may make the balanced budget possible also would make tax cuts possible in the next fiscal year if it continues, he said. He didn't discuss tax cuts with the President, he told reporters, because they depend "entirely on how successful we are in balancing the budget."

Asked whether tax cuts should not be put off and any surplus instead applied to the national debt, he replied, "I am a great believer in paying your debts, but I think you also have to take into account a good many other conditions as to when and how you do it. And I personally think that our taxes are so high, and there is such a burden on our economic well-being, that we ought not to at a time when our taxes are as high as they are now, have to pay down our debt when our Nation's necessity for military security is as great as it is today."

Payment on the debt can be made, he said, when the expenses for security will not be as heavy as they are today. "There will come a time," he forecast, "when there is going to be a much more solid peace in the world" and military spending can be cut.

In fact, Mr. Humphrey still held out hope the Defense Department can cut its spending from the $34.5 billion estimated for this fiscal year. He declared there was no controversy between him and Defense Secretary Wilson over the military budget and he still has "a lot of confidence" that Mr. Wilson can cut defense spending enough to help balance the budget.

Mr. Wilson's announcement last month that his Department probably couldn't reduce its spending this fiscal year below the $34.5 billion figure had put a damper on Mr. Humphrey's earlier predictions that the budget might be balanced. The midyear budget review had slashed the deficit forecast this fiscal year to $1.7 billion from the $2.4 billion predicted in January. Mr. Humphrey noted at the time of the midyear review that if all Federal Departments could cut their spending by 3 percent, the deficit would be wiped out. That, however, would have meant a reduction in defense spending from the projected $34 billion to about $33 billion, and Mr. Wilson's forecast that it would instead amount to $34.5 billion dealt a hard blow at those hopes.

Mr. Humphrey's new optimism apparently is based on even higher revenues than expected at midyear plus bigger savings in Departments other than the Pentagon.

You will note the Secretary also took the position that debt reduction would have to wait until military spending could be cut.

Now I have always voted for whatever defense we needed and I propose to do so until there is a much more solid basis for peace than there is today. At the same time however I had heard how the administration through its policy of stabilizing prices had saved the Government enormous sums in the defense budget. Needless to say I was shocked to read on the day following Secretary Humphrey's pronouncement that debt reduction would have to wait upon defense cuts, that defense spending in fiscal 1957 would go up from $500 million to $1 billion, partly because of higher industrial prices.

Since I had been led to believe that we had a sound dollar and prices had been stabilized, albeit at considerable cost to the farmer and the borrower, this new information distressed me. I therefore asked the Secretary of Defense if he could tell me how much price increases had raised the budget for fiscal 1957. I include a copy of my letter to the Secretary and the reply which I received, at this point in my remarks:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., October 19, 1955.

Hon. CHARLES E. WILSON,
Secretary of Defense,
Washington, D. C.

MY DEAR MR. SECRETARY: I have read with some disappointment that our taxpayers must forego the prospect of a reduction of the national debt and a lightening of the burden of servicing that debt, which, as you know, is more than one-tenth of the total tax burden today. According to Secretary of Treasury Humphrey, payment on our huge national debt of $277 billion cannot be made, despite the emerging budget surplus, because of the fact that our military spending cannot be cut.

I have wholeheartedly supported defense appropriations, and I think that we must have adequate preparedness until such times as a solid peace is established. Nevertheless, I am disturbed about the fact that our defense expenditures are rising, not because we are getting more or better hard goods but because we are having to pay higher prices for basic materials and the other industrial products that go into defense hardware. You are quoted in the Journal of Commerce, October 18, 1955, as saying that the fiscal 1957 military expenditures could go up as much as $500 million to $1 billion above the 1956 level, due to higher industrial costs and the increased military payrolls.

I am greatly disturbed about the increases in prices of industrial goods that have taken place during the period from 1953 to date—a period when the Secretary of the Treasury has repeatedly stated the value of the dollar has been stabilized. During this period, as you know, many groups among our population, such as farmers, small-business men, and others, have been subjected to intermittent anti-inflationary credit squeezes in the interests of achieving a stable value for the dollar. But it appears now that their sacrifices have been made in vain, for the cost of defense items, as you have said, has risen, due to steel and other industrial price increases, and now our taxpayers are being denied relief from the heavy burden of interest costs on the national debt because of these price increases.

In order that I may have this information in the consideration of these and related matters coming before the congressional committees I am a member of—Joint Committee on the Economic Report, Select Committee on Small Business of the House, Banking and Currency of the House, and Joint Committee on Defense Production—and be better able to inform my constituents why Secretary Humphrey finds it inadvisable to reduce some part of our huge debt now, could you submit a list of the price increases for items going into our defense budget that have taken place in the last 3 years? I should like to have these on a fiscal-year basis through fiscal 1956. Could you also estimate what the cost of our defense budget would have been for fiscal 1957 if the price increases put into effect since the spring of 1953 had not taken place?

I shall look forward with interest to your reply.

Sincerely yours,

WRIGHT PATMAN.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D. C., November 22, 1955.

Hon. WRIGHT PATMAN,
House of Representatives.

DEAR MR. PATMAN: Your letter of October 16 to Secretary Wilson concerning the effects of recent price increases on Department of Defense expenditures has been forwarded to me for reply.

While it is true that recent price increases in industrial materials have tended to increase the cost of the defense program, it is impossible to relate these increases directly to the prices paid for specific goods and services purchased by the Defense Department, since such prices reflect the impact of many other factors besides the cost of industrial materials. Some of these factors tend to reduce prices and others tend to increase them.

For example, the cost of most major items of military equipment is greatly influenced by the rate of production and the duration of production. The unit cost of the initial order is almost always much higher than the unit cost of succeeding orders. This is the result of the so-called learning curve with which you are probably familiar. Partially offsetting this factor are the numerous engineering changes made in the equipment while still in production which improve their performance but also tend to increase their cost. The following are a few typical examples which illustrate this point:

1. The B-52 long-range jet bombers bought in 1953 had a fly-away cost of about $10 million per airplane. The next order of B-52's is expected to cost about $6 million per airplane, notwithstanding the fact that they will be substantially heavier airplanes with greatly improved combat radius and other performance characteristics.

2. The first *Forrestal*-class carrier built by Newport News is estimated to cost $201 million. The third carrier of this class, the second to be built by Newport News, is estimated to cost $181 million, $20 million less than the first.

3. The M-48 tank in the early orders cost $152,000 apiece. The same tank now being delivered to the Army costs $103,000, even though production rates are substantially lower.

4. The 2½ ton truck which in 1953 cost $7,100 now costs $6,700, notwithstanding substantially lower production rates.

The major weapons we are now buying are quite different from those we bought in 1953. They are much more effective weapons but, unfortunately, they are also much more complex and costly. The F-100 fighter, for example, which is now being procured to replace the F-86F—our mainstay during the Korean war—is greatly superior in performance, buts costs almost three times as much and is more expensive to operate. This concomitant increase in performance and cost is typical not only of aircraft procurement but applies to virtually all new weapons and equipment we are now buying.

However, there are factors which tend to increase the cost of material that the Defense Department has to buy, such as the upward trend of wage rates. Average hourly earnings in the durable goods manufacturing industries, the segment most closely associated with the defense program, rose 10.3 percent since January 1953. Since there was a general increase in productivity during this period, it is not feasible to isolate the impact of wage increases on prices.

It is even more difficult to determine, even on a theoretical basis, what our defense budget would have been for fiscal year 1957 if the price increases put into effect since the spring of 1953 had not taken place.

The recent increases in military and civilian pay will also serve to increase the cost of national defense in fiscal year 1957. So will the new program for the expansion and improvement of our Reserve Forces. The Air Force and Navy air base programs have yet to be completed and a large part of the facilities required for continental defense has still to be constructed. We must continue to maintain a high level of research and development. All of these factors will affect our fiscal year 1957 defense expenditures.

We are keenly aware of the burden the defense program imposes on our taxpayers, but we share your thought "that we must have adequate preparedness until such times as a solid peace is established." We are making every possible effort to eliminate waste and inefficiency in the Defense Department and to eliminate marginal programs and functions. I am enclosing a copy of a recent directive issued by Secretary of Defense Wilson, spelling out the principles to be applied and the actions to be taken in achieving this objective in fiscal years 1956 and 1957.

It should not be overlooked that the Department of Defense has already made very substantial progress in reducing expenditures. Since fiscal year 1953, Defense Department annual expenditures on military functions have been reduced by more than $9 billion. A number of factors have contributed to this reduction. With the reorientation of the defense program to the long pull, all defense activities and programs were reexamined. The end of combat consumption in Korea was taken into account. Consideration was given to the fact that much of the capital investment in new equipment for the increased forces had been made or had been financed. Many imbalances in earlier programs were eliminated. Requirements for mobilization reserves and the rate of their accumulation were reevaluated and adjusted. Action was taken to reduce excess stocks and avoid overbuying, and a concerted drive for greater efficiency and economy in the operations of the Department was instituted.

Although defense expenditures are the largest single item in the Federal budget, they are not the only factor affecting the size of the budget or the possibility of reducing the national debt. Certain other Federal expenditures have been going up as the defense expenditures have been reduced. Furthermore, the congressional decisions on taxes will have a very important bearing on the ability of the Government to reduce the national debt in the coming years.

Sincerely yours,

W. J. McNeil.

As can be seen from the reply I was not too successful in getting this information.

On October 20, I released a statement to the press containing facts which I thought the people should know. I concluded this statement by calling upon the Secretary of Treasury to "reconsider his decision to abandon debt reduction as an objective for next year."

A copy of that statement is offered for the Record at this point in my remarks:

Statement by Wright Patman, Member of Congress

Secretary of Treasury Humphrey, after returning from his conference with President Eisenhower, at Denver, was asked whether tax cuts should not be put off and any surplus instead applied to the national debt. His reply was a restatement of his position last August when he placed tax reduction ahead of reducing the national debt. Secretary Humphrey has made debt reduction contingent upon the "time when there is going to be a much more solid peace in the world and military spending can be cut." (Wall Street Journal, October 17, 1955.)

Secretary of Defense Wilson has just announced that defense spending for fiscal 1957 will be even higher than it is this year.

These two disclosures make it plain that during the remaining tenure of this administration's term in office, they do not contemplate reducing the huge $277 billion national debt, despite signs of an emerging surplus in the Federal budget.

The American people will, I am sure, be shocked and dismayed when they learn about this latest repudiation of Republican campaign promises. They were given a firm assurance that this administration would do everything in its power to achieve a balanced budget and to reduce some part of our huge national debt. Now with the prospect of an emerging budget surplus, the American people have been told that there will be no debt reduction.

Failure to reduce the public debt should completely expose the political opportunism of this administration's fiscal and monetary policies. Failure to apply a surplus to debt reduction will mean that this administration is not interested in reducing the cost of interest on the public debt. This is consistent with the high-interest-rate policy that this administration has pursued since it took office.

Interest on our national debt amounts to more than $6 billion a year. One-tenth of the high and burdensome taxes that our citizens are now called upon to pay goes to cover interest payments on our national debt. Moreover, under Secretary Humphrey's policy of debt-management whereby he has lengthened the maturity of the debt and continually borrowed in excess of the Treasury's immediate cash requirements, interest rates on Treasury securities are now at a level higher than in any year between 1932 and 1952.

Secretary Humphrey's abandonment of the objective of debt retirement is in marked contrast to the efforts of this administration to restrict the availability of credit for private home purchasers and consumer users of installment credit. The maintenance of a huge $277 billion public debt without prospect of debt retirement will act as a bar to the expansion of private credit, which is needed to sustain a high level of home and durable goods production and sales.

Secretary Humphrey's refusal to plan for some debt reduction in the near future runs the grave risk of kicking off a dangerous inflationary spiral. It is also an open invitation to bankers and lenders generally to accelerate the present spiral in interest rates. In fact, immediately after Secretary Humphrey's statement, the rate on commercial paper was raised to 3 percent, which, according to the New York Journal of Commerce (September 18, 1955) "is the highest rate for any recent year and well above the 1953 peak."

The average rate on newly issued Treasury bills has risen to 2.333 percent, the highest level since the hard money peak of mid-1953.

Only last week, leading New York banks raised the short-term interest rate to business borrowers with the highest credit rating to 3½ percent, which is the highest level in 25 years.

It is not unreasonable to expect that Secretary Humphrey's repudiation of debt retirement will have an adverse effect on the prices of long-term Government bonds; for if no attempt is made to apply any part of an emerging budget surplus to our huge $277-billion national debt and taxes are to be cut instead, then it is obvious that even more restrictive monetary and debt-management policies will be needed to achieve effective price stabilization.

Secretary Humphrey's policy decision also has disquieting implications for the small farmer and the small-business man. It guarantees continuance and even threatens intensification of the tight-money and higher-interest-rate policies, which have contributed to the squeeze already imposed on these groups in our economy.

Secretary Humphrey made it more costly for veterans to purchase homes by ordering an increase in the interest rate on Government underwritten home mortgages by one-half percent in the spring of 1953. He has now made it more difficult for the veteran to obtain any financing for the purchase of a home.

Secretary Humphrey's policies have made it more costly to obtain consumer installment credit, the poor man's credit, without which millions of American families would be denied many necessaries of modern day living.

Secretary Humphrey's debt policies have resulted in an increased flow of interest income from our poorer citizens to those more fortunately situated.

Finally, Secretary Humphrey's decision to abandon for the foreseeable future the goal of reducing our national debt threatens our national economy by placing too heavy a responsibility for economic stabilization upon monetary policies alone.

I earnestly hope that Secretary Humphrey will reconsider his decision to abandon debt reduction as an objective for next year.

I think it is clear from this brief review that the Secretary of Treasury is a rather late and reluctant convert to the ranks of those who urged a beginning be made toward reducing our huge national debt.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Hoffman of Michigan, today, for 20 minutes and to include newspaper articles.

Mr. Metcalf, on Wednesday, February 1, for 30 minutes.

Mr. Powell (at the request of Mr. Thompson of New Jersey), for 10 minutes on tomorrow, January 31.

Mr. Mason, for 30 minutes on Monday next to speak on the subject Needed Federal Tax Reforms.

Mr. Kean, for 15 minutes on Wednesday next.

Mr. Whitten, for 30 minutes on Thursday next on the farm problem.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record or to revise and extend remarks, was granted to:

Mr. Davidson (at the request of Mr. Multer) and to include extraneous matter.

Mr. Johnson of Wisconsin and include extraneous matter.

Mr. Thompson of New Jersey (at the request of Mr. Rhodes of Pennsylvania) in two instances.

Mr. Ashley (at the request of Mr. Rhodes of Pennsylvania).

Mr. Vursell (at the request of Mr. Simpson of Illinois).

Mr. Hosmer and to include extraneous matter.

Mr. Burdick on the subject The Worries of the President.

Mr. Hiestand in three instances and to include extraneous matter.

Mr. Van Zandt.

Mr. Kean on the subject The New Jersey Cancer Society and to include two editorials.

Mr. Pelly and to include extraneous matter.

Mr. Dixon in two instances and to include extraneous matter.

Mrs. Green of Oregon and to include extraneous matter.

Mr. Morano and to include extraneous matter.

Mr. Celler.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. RICHARDS, on account of official business—attendance as representative of United States at inauguration of President of Brazil.

Mr. VORYS, on account of official business—attendance as representative of United States at inauguration of President of Brazil.

Mr. O'BRIEN of New York (at the request of Mr. MULTER), for 2 weeks, beginning January 30, 1956, on account of illness.

Mrs. PFOST (at the request of Mr. METCALF), for the week beginning January 30, 1956, on account of illness in the family.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5844. An act to increase the fee for executing an application for a passport.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 47 minutes p. m.) the House adjourned until tomorrow, Tuesday, January 31, 1956, at 12 o'clock noon.

COMMITTEE EMPLOYEES

COMMITTEE ON AGRICULTURE

JANUARY 13, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 30, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period [1]
John J. Heimburger	Counsel	$7,592.61
Francis M. LeMay	Staff consultant	7,100.01
Mabel C. Downey	Clerk	7,592.61
George L. Reid, Jr.	Assistant clerk	7,592.61
Lydia Vacin	Staff assistant	4,022.31
Pauline E. Graves	do	3,645.94
Betty M. Prezioso	do	3,240.36
Gladys Ondarcho	do	2,895.63

[1] Includes retroactive pay.

Funds authorized or appropriated for committee expenditures	$50,000.00
Amount of expenditures previously reported	None
Amount expended from June 30 to Dec. 31, 1955	15,870.30
Total amount expended from Jan. 1 to Dec. 31, 1955	15,870.30
Balance unexpended as of Dec. 31, 1955	34,129.70

HAROLD D. COOLEY,
Chairman.

COMMITTEE ON APPROPRIATIONS

JANUARY 15, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
George Y. Harvey	Clerk and staff director.	$7,301.46
Kenneth Sprankle	do	7,239.53
Corbal D. Orescan	Assistant clerk and staff director.	7,214.76
Paul M. Wilson	do	7,214.76
Harris H. Huston	Staff assistant	6,746.93
Jay B. Howe	do	6,722.16
Ross P. Pope	do	6,722.16
Samuel W. Crosby	do	6,685.01
Carson W. Culp	do	6,623.08
Robert M. Moyer	do	6,623.08
Frank Sanders	do	6,102.88
Eugene B. Wilhelm	do	1,607.10
George S. Green	Clerk to the minority.	6,065.76
Robert P. Williams	Editor	5,904.75
E. L. Eckloff	Clerk to the majority.	5,322.60
Robert L. Michaels	Staff assistant	5,141.75
G. Homer Skarin	do	4,646.20
Earl C. Silsby	do	4,424.31
Lawrence C. Miller	Assistant editor	3,709.39
Francis G. Merrill	Staff assistant	3,438.24
Samuel R. Preston	Junior staff assistant.	3,081.44
Donald R. Bridges	Clerical assistant	2,296.41
Wilburn L. McClure	do	613.24
John C. Pugh	Consultant	1,461.00
Randolph Thomas	Janitor-messenger	1,594.69
Delores Cropper	Clerk-stenographer to the chairman.	2,564.75
Mary H. Smallwood	Clerk-stenographer	2,567.60
Agnes L. Norton	do	2,132.53
Glenna L. Taylor	do	2,554.52
Mary A. Vaughan	do	2,567.60
Phyllis N. Troy	do	2,567.60
William J. Neary	do	2,567.60
Ann R. Davis	do	2,567.60
Shirley Rae Colley	do	2,567.60
Catherine D. Norrell	do	2,567.60
Mildred Burnham	do	2,567.60
Barbara Grey	do	1,961.25
Molly O'Day Saguto	do	1,961.25
Donald L. Bernard	do	2,132.53
Margie H. Trew	do	2,567.60
James W. Dudley	do	2,567.60
John G. Clevenger	do	2,567.60
Charles C. Andersen	do	2,567.60
Gladys Kofmehl	do	2,567.60
Frank B. Melchoir	do	1,671.76
Monica Smith	Clerk-stenographer to the ranking minority member.	2,353.50
Frank Mentillo	Clerk-stenographer	2,353.50
Helen B. Rogers	do	2,353.50
Barbara J. Groves	do	2,296.42
Baert De Vos Brand	do	1,766.69
Roma E. Jaques	do	1,163.90
David P. Doyle	do	435.07
William P. Lally	Clerical assistant	815.55
Barbara Koons	Clerk-stenographer	392.25
Keith H. Jaques	do	392.25
Eve Melchoir	do	810.19

Funds authorized or appropriated for committee expenditures	$375,000.00
Amount of expenditures previously reported	
Amount expended from July 1 to Dec. 31, 1955	187,992.90
Total amount expended from July 1 to Dec. 31, 1955	187,992.90
Balance unexpended as of Dec. 31, 1955	187,007.10

CLARENCE CANNON,
Chairman.

JANUARY 15, 1956.

COMMITTEE ON APPROPRIATIONS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Charles G. Haynes	Director of surveys and investigations.	$5,768.49
Richard F. McIlwain	Assistant director of surveys and investigations.	5,746.19
Ralph W. Horton	Investigator	5,805.66
Rose Marie Borda	Stenographer	2,567.64
Ethel P. Powers	do	2,216.52
William F. Druckenbrod	Consultant	175.00
John B. Ficklin	do	6,308.00
Robert A. Herbruck	do	6,576.00
Herman P. Hevenor	do	2,720.00
W. W. Hill, Jr.	do	2,392.50
Frank R. Joslyn	do	2,800.00
Alvin C. Loewer, Jr.	do	5,700.00
Victor J. Miller	do	2,160.00
Joseph M. O'Connor	do	2,680.00
Blutcher E. Prescott	do	4,427.50
James H. Rees	do	3,225.00

REIMBURSEMENTS TO GOVERNMENT AGENCIES

Department of Agriculture: John B. Holden.	Investigator	$4,548.18
Department of the Army: James C. Jenkins.	do	2,232.70
Atomic Energy Commission: George C. Taylor.	do	3,693.12
Federal Bureau of Investigation:		
Carl L. Bennett	do	5,157.35
Howard A. Carlson	do	4,663.57
William W. Colby	do	4,803.03
Grant C. Earl	do	4,963.79
Arthur W. Engstrom.	do	4,369.97
Harold H. Hair	do	5,456.71
Albert G. MacDonald.	do	4,763.66
Hugh B. McGahey	do	2,913.31
Richard A. Miller	do	5,157.35
Robert M. Murphy	do	5,148.25
James E. Nugent	do	6,260.74
Robert E. Reiser	do	5,048.99
John A. Ruhl	do	4,921.14
Andrew John Shannon.	do	2,890.64
Glenn Arthur Trofast.	do	2,890.64
Samuel E. Virden	do	4,606.18
Export-Import Bank of Washington: Lambert E. Jones.	do	1,569.77
Central Intelligence Agency: Edward C. Gauvreau.	do	2,283.68
Chicago Quartermaster Market Center: Charles W. Hart.	do	4,848.40
General Services Administration:		
George E. Desjardine.	do	1,795.50
J. W. Flatley	do	[illegible],178.17
John H. Holmead, Jr.	do	3,826.38
Mary Winifred Poynton.	do	923.3[illegible]
International Cooperation Administration: Michael J. LaPadula.	do	2,663.59
Interstate Commerce Commission: Alexis P. Bukovsky.	do	1,741.05
Library of Congress: Walter W. Wilcox.	do	1,412.68
Travel and miscellaneous expenses.		37,824.66

EXPENDITURES IN PREVIOUS PERIOD NOT REPORTED, AGAINST 1955 APPROPRIATION

Name of employee	Profession	Total gross salary during 6-month period
Reimbursements to Government agencies:		
Department of Agriculture: John B. Holden.	Investigator	$496.19
Federal Communications Commission: Alexis P. Bukovsky.	do	240.85
International Cooperation Administration: Michael J. LaPadula.	do	186.88
General Services Administration:		
J. W. Flatley	do	429.23
John H. Holmead, Jr.	do	317.08
Travel and miscellaneous expenses.		762.52
Total		2,432.75

Funds authorized or appropriated for committee expenditures $500,000.00

Amount of expenditures previously reported ----------
Amount expended from July 1 to Dec. 31, 1955 209,825.06

Total amount expended from July 1 to Dec. 31, 1955 209,825.06
Balance unexpended as of Dec. 31, 1955 290,174.94

CLARENCE CANNON,
Chairman.

COMMITTEE ON ARMED SERVICES

JANUARY 3, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period[1]
Robert W. Smart	Chief counsel	$7,592.61
John R. Blandford	Counsel	7,564.46
Charles F. Ducander	do	7,518.01
Philip W. Kelleher	do	7,518.01
Janice G. Angell	Clerical staff	3,352.25
Berniece Kalinowski	do	3,352.25
Mary Ellen Williams	do	2,690.50
Patricia Burtner	do	2,924.31
Oneta Stockstill	do	2,924.31
L. Louise Ellis	do	234.30
James A. Deakins	do	2,534.67
John J. Courtney	Special counsel	7,592.61
Edward T. Fogo	Investigator	5,025.83
Lloyd R. Kuhn	do	4,201.58
Dorothy Britton	Secretary	2,911.10
Dorothea Clore	do	2,911.10
Adeline Tolerton	Clerk	2,731.84
Ethel L. Mott	do	2,731.84

[1] This statement includes retroactive pay.

(Office of the Special Counsel operating under H. Res. 112 and H. Res. 113, 84th Cong.)

Funds authorized or appropriated for committee expenditures $150,000.00

Amount of expenditures previously reported 25,657.87
Amount expended from Jan. 3 to June 30, 1955 $25,657.87

Total amount expended from July 1 to Dec. 31, 1955 33,550.78
Balance unexpended as of Dec. 31, 1955 90,791.35

CARL VINSON,
Chairman.

COMMITTEE ON BANKING AND CURRENCY

JANUARY 2, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period[1]
Robert L. Cardon	Clerk and counsel (Aug. 10, 1955).	$5,796.65
William J. Hallahan	Clerk (July 1 to Aug. 9, 1955).	1,795.96
Orman S. Fink	Staff director	7,592.61
John E. Barriere	Technical staff	7,592.61
Elsie G. Whitney	Deputy clerk	5,116.37
Helen E. Long	Assistant clerk	3,766.74
Mary W. Layton	Secretary	3,766.74
EMPLOYEES PURSUANT TO H. RES. 203—SUBCOMMITTEE ON HOUSING		
Eleanor Hamilton	Research assistant (July 1, 1955).	3,616.62
John J. McEwan, Jr.	Housing economist (Aug. 1, 1955).	4,621.30
Robert R. Poston	Chief counsel (July 16, 1955).	5,553.46
Betty B. Ridgell	Secretary (July 1, 1955).	3,021.48

[1] Includes retroactive pay.

Funds authorized or appropriated for committee expenditures $75,000.00

Amount of expenditures previously reported None
Amount expended from July 1 to Dec. 31, 1955 24,316.42

Total amount expended from July 1 to Dec. 31, 1955 24,316.42
Balance unexpended as of Dec. 31, 1955 50,683.58

BRENT SPENCE,
Chairman.

COMMITTEE ON THE DISTRICT OF COLUMBIA

JANUARY 4, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period[1]
W. N. McLeod, Jr.	Clerk	$7,600.57
Wendell E. Cable	Minority clerk	6,550.07
George R. Stewart	Attorney	$7,088.63
Ruth Butterworth	Assistant clerk	4,219.47
Dixon D. Davis	do	1,593.12
Margaret S. Rogers	do	2,588.48

[1] Inc-udes retroactive pay increase.

Funds authorized or appropriated for committee expenditures $2,000.00

Amount o. expenditures previously reported 11.60
Amount expended from July 1, 1955, to Dec. 31, 1955 3.45

Tota. amount expended from ---------- to ---------- ----------
Balance unexpended as of Dec. 31, 1955 1,971.-5

JOHN L. MCMILLAN,
Chairman.

COMMITTEE ON EDUCATION AND LABOR

JANUARY 13, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Edward A. McCabe	General counsel	$6,808.86
Russell C. Derrickson	Chief investigator	6,808.86
John O. Graham	Minority clerk	6,808.86
Fred G. Hussey	Chief clerk	6,808.86
Kathryn Kivett	Assistant clerk	3,226.98
Jeanne Thomson	Assistant to minority clerk.	3,226.98
Gloria Ann Baysden	Assistant clerk	3,226.98
Marion O. Riddiford	do	3,226.98
Mary Lynn Smith	do	3,226.98

NOTE.—The above figures do not include retroactive pay of Mar. 1 through June 30, 1955. Total retroactive pay to staff of Committee on Education and Labor, $1,802.48.

Funds authorized or appropriated for committee expenditures $125,000.00

Amount of expenditures previously reported 1,536.52
Amount expended from July 1, 1955 to Dec. 31, 1955 9,360.71

Total amount expended from Jan. 1, 1955 to Dec. 31, 1955 10,897.23
Balance unexpended as of Dec. 31, 1955 114,102.77

GRAHAM A. BARDEN,
Chairman.

COMMITTEE ON FOREIGN AFFAIRS

JANUARY 6, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period [1]
Boyd Crawford	Staff administrator and committee clerk.	$7,592.61
Sheldon Z. Kaplan	Staff consultant	7,248.63
Roy J. Bullock	do	7,248.63
Albert C. F. Westphal	do	7,248.63
June Nigh	Staff assistant	3,709.65
Winifred G. Osborne	do	3,870.25
Helen C. Mattas	do	3,666.84
Myrtie M. Melvin	do	3,666.84
Helen L. Hashagen	do	3,666.84
Roosevelt Taylor	Messenger	917.06

[1] Includes retroactive salary increase for the period Mar. 1 to June 30, 1955; paid in July 1955.

Funds authorized or appropriated for committee expenditures	$75,000.00
Amount of expenditures previously reported	1,024.56
Amount expended from July 1, 1955 to Dec. 31, 1955	3,549.20
Total amount expended from Jan. 1, 1955 to Dec. 31, 1955	4,573.76
Balance unexpended as of Dec. 31, 1955	70,426.24

JAMES P. RICHARDS,
Chairman.

COMMITTEE ON GOVERNMENT OPERATIONS

JANUARY 15, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period [1]
Christine Ray Davis	Staff director	$7,520.82
Orville S. Poland	General counsel	7,007.25
William Pincus	Associate general counsel.	7,028.17
Martha C. Roland	Staff member	5,959.03
J. Robert Brown	do	5,570.16
Dolores Fel'Dotto	do	4,111.00
Catherine Hartke	do	3,099.29
Earle Wade	do	3,628.31
Helen M. Boyer	Minority staff member.	6,339.25
Annabell Zue	Minority staff member (July–October 1955).	3,388.00
Esther Breeze	Minority staff member (November–December 1955).	1,297.00
Cecil Norton Bray	Minority staff member (October–November 1955).	1,182.80

[1] Includes retroactive pay.

WILLIAM L. DAWSON,
Chairman.

COMMITTEE ON GOVERNMENT OPERATIONS

JANUARY 15, 1955.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

	Total gross salary during 6-month period
Full Committee	$7,932.16
Executive and Legislative Reorganization Subcommittee, Congressman WILLIAM L. DAWSON, chairman	14,721.67
Military Operations Subcommittee, Congressman CHET HOLIFIELD, chairman	37,783.62
Intergovernmental Relations Subcommittee, Congressman L. H. FOUNTAIN, chairman	10,580.70
Public Works and Resources Subcommittee, Congressman EARL CHUDOFF, chairman	52,784.20
International Operations Subcommittee, Congressman PORTER HARDY, Jr., chairman	18,121.11
Legal and Monetary Affairs Subcommittee, Congressman ROBERT H. MOLLOHAN, chairman	32,753.40
Special Government Activities Subcommittee, Congressman JACK BROOKS, chairman	24,860.69
Special Subcommittee on Donable Property, Congressman JOHN W. MCCORMACK, chairman	8,189.44
Special Subcommittee on Government Information, Congressman JOHN E. MOSS, chairman	25,106.43
Special Subcommittee on Water Resources and Power, Congressman ROBERT E. JONES, chairman	32,901.35
Expenditures from July 1, to Dec. 31, 1955	265,734.77

Expenses of full committee:	
Air transportation	1,452.67
Taxi fares, postage	87.98
Stationery supplies	2,500.93
Telephone	115.40
Travel, mileage, per diem	2,948.61
Government insurance deductions for subcommittee staff members	826.57
Total	7,932.16

Executive and Legislative Reorganization Subcommittee, Congressman WILLIAM L. DAWSON, chairman:	
Elmer W. Henderson, associate general counsel (July 1 to Dec. 31, 1955)	5,148.83
Ann E. McLachlan, clerical staff member (July 1 to Dec. 31, 1955)	3,373.53
William A. Young, professional staff member (July 1 to Dec. 31, 1955)	5,892.81
Katherine B. Kenny, clerical staff member (Oct. 1-15, 1955)	208.61
Expenses:	
Taxi	8.00
Telephone	1.10
Travel expenses	88.79
Total	14,721.67

Military Operations Subcommittee, Congressman CHET HOLIFIELD, chairman:	
Michael P. Balwan, staff director	7,029.84
James F. Eckhart, assistant counsel	4,109.75
Robert J. McElroy, investigator	3,599.36
Earl J. Morgan, investigator	4,109.75
Sylvia L. Swartzel, clerk-stenographer	3,381.53
Mollie J. Hughes, clerk-stenographer	3,231.24
Herbert Roback, director of investigations	6,739.50
Expenses:	
Taxi	66.90
Travel	1,553.21
Telegrams	54.38
Telephone	392.35
Transportation	3,497.21
Stationery	18.60
Total	37,783.62

Intergovernmental Relations Subcommittee, Congressman L. H. FOUNTAIN, chairman:	
James R. Naughton, professional staff member	4,205.38
Francis X. McLaughlin, investigator (August to December 1955)	2,746.25
Eileen M. Anderson, clerk-stenographer	3,000.71
Expenses:	
Travel	334.86
Transportation	148.16
Telephone	116.55
Western Union	28.79
Total	10,580.70

Legal and Monetary Affairs Subcommittee, Congressman ROBERT H. MOLLOHAN, chairman:	
Curtis E. Johnson, staff director	7,028.17
Jerome S. Plapinger, counsel	6,936.92
Stanley T. Fisher, accountant-investigator	4,785.34
John L. Anderson, investigator	4,062.68
Hal M. Christensen, associate counsel	3,972.40
Elizabeth D. Heater, clerk-stenographer	2,821.44
Barbara L. Tork, stenographer	2,127.52

	Total gross salary during 6-month period
Expenses:	
Travel	$343.40
Transportation	326.48
Telephone	205.45
Witness expense	75.71
Taxi	67.89
Total	32,753.40

Public Works and Resources Subcommittee, Congressman EARL CHUDOFF, chairman:	
Arthur Perlman, staff director (July 1 to Dec. 31, 1955)	6,998.82
James A. Lanigan, counsel (July 1 to Dec. 31, 1955)	6,538.22
John B. O'Brien, Jr., investigator (July 1 to Dec. 31, 1955)	5,181.36
H. Vance Austin, associate counsel (July 1 to Sept. 30, 1955)	4,504.79
Inge Kaiser, consultant (July 1 to Dec. 31, 1955)	3,827.84
R. F. Crosserove, investigator (July 1 to Sept. 30, 1955)	2,209.83
Irene D. Manning, clerk-stenographer (July 1 to Dec. 31, 1955)	2,821.44
Joan D. Heinly, clerk-stenographer (July 1 to Dec. 31, 1955)	2,160.84
Lucille Orr Kenny, clerk-typist (Aug. 23 to 25, 1955)	44.93
Expenses:	
Travel expense, June 30, 1955, not reported	148.83
Travel expense, July 1 to Dec. 31, 1955	6,825.55
Taxi fares	81.05
Transportation	7,413.20
Witness expenses	784.24
Reporting	2,781.61
Telephone	230.45
Western Union	52.49
Consultant expense	178.80
Total	52,784.20

International Operations Subcommittee, Congressman PORTER HARDY, Jr., chairman: Maurice J. Mountain, professional staff member	6,291.43
Phyllis Seymour, clerk-stenographer	3,000.71
Walton Woods, investigator	5,103.57
Expenses:	
Taxi fares	79.00
Telephone	29.70
Stamps	8.10
Witness	75.24
Travel	2,587.61
Stationery	22.35
Reporting (November)	923.40
Total	18,121.11

Special Government Activities Subcommittee, Congressman JACK BROOKS, chairman:	
Vernon McDaniel, staff director	7,028.17
William D. Huskey, investigator	4,389.76
William E. Townsley, counsel (September to December 1955)	3,370.08
Thomas Q. Beasley, professional staff member (July to Sept. 15, 1955)	1,145.19
Chesley Prioleau, clerk-stenographer	2,818.45
Irma Reel, clerk	2,534.67
Expenses:	
Travel	2,566.67
Transportation	475.32
Telephone	137.90
Western Union	277.14
Taxi	117.34
Total	24,860.69

Special Subcommittee on Donable Property, Congressman JOHN W. MCCORMACK, chairman:	
Ray Ward, staff director	6,668.97
Asselia Poore, clerk-stenographer	706.83
Pauline Harris, typist	9.03
Expenses:	
Travel	269.00
Transportation	503.81
Telephone	27.25
Supplies	3.00
Western Union	1.55
Total	8,189.44

Special Subcommittee on Government Information, Congressman JOHN E. MOSS, Jr., chairman:	
Wallace Parks, chief counsel	5,522.45
Samuel J. Archibald, staff director	5,228.05
Jacob Scher, special counsel (Nov. 1 to Dec. 31, 1955)	1,255.50
Helen K. Beasley, stenographer (July 20 to Dec. 31, 1955)	2,382.27
J. Lacey Reynolds, senior consultant (July 7 to Dec. 31, 1955)	5,217.04
Alette Summerfield, stenographer (July 1 to Oct. 31, 1955)	1,718.82
Virginia Hudgins, stenographer (July 1-7, 1955)	104.84
Thomas Quinn Beesley, investigator (Oct. 1-31, 1955)	627.75

	Total gross salary during 6-month period
Expenses:	
Taxi fares	$349.61
Transportation	982.45
Telephone	265.16
Travel	1,427.00
Western Union	25.49
Total	25,106.43

Special Subcommittee on Water Resources and Power, Congressman ROBERT E. JONES, chairman:	
William C. Wise, staff director (August to December 1955)	5,209.60
Ann A. Dominek, clerk-stenographer (August to December 1955)	2,089.70
William L. Sturdevant, Jr., professional staff member (August to December 1955)	4,341.79
Pearle L. Gay, clerk-stenographer (August 1955)	208.97
Margaret L. McFerren, clerk-stenographer (August to December 1955)	1,880.73
Roy F. Bessey, consultant (October, November, December 1955)	2,000.00
Expenses:	
Travel	3,561.16
Transportation	9,141.32
Taxi	67.04
Meeting room	203.80
Telephone	697.66
Reporting	3,262.89
Western Union	236.69
Total	32,901.35

Funds authorized or appropriated for committee expenditures	495,000.00
Amount of expenditures previously reported	107,909.17
Amount expended from July 1, to Dec. 31, 1955	265,734.77
Total amount expended from Jan. 4, to Dec. 31, 1955	373,643.94
Balance unexpended as of Jan. 1, 1956	121,356.06

WILLIAM L. DAWSON,
Chairman.

COMMITTEE ON HOUSE ADMINISTRATION

JANUARY 3, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period[1]
Marjorie Savage	Clerk	$6,728.43
Jack Watson	Assistant clerk	5,570.16
Julian Langston	do	5,527.40
Lura Cannon	do	4,776.74

EMPLOYEES APPOINTED PURSUANT TO H. RES. 262 AND H. RES. 306, 84TH CONG.

John F. Haley	Staff director, Subcommittee To Investigate Government Printing.	$5,054.80
Asselia S. Poore	Research analyst, Subcommittee To Investigate Government Printing.	2,413.98
Erica Steinleitner	Research assistant, Subcommittee To Investigate Government Printing.	636.90

[1] Includes retroactive pay.

Funds authorized or appropriated for committee expenditures (H. Res. 306)	$65,000.00
Amount of expenditures previously reported	None
Amount expended from July 21 to Dec. 31, 1955	$8,525.35
Total amount expended from July 21 to Dec. 31, 1955	8,525.35
Balance unexpended as of Dec. 31, 1955	56,474.65

OMAR BURLESON, *Chairman.*

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

JANUARY 6, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period[1]
Professional staff:		
Sidney L. McFarland.	Engineering consultant.	$6,480.30
George W. Abbott	Counsel	6,480.30
John L. Taylor	Territories consultant.	6,480.30
George H. Soule, Jr.	Minerals and lands consultant.	6,273.89
Clerical staff:		
Nancy J. Arnold	Chief clerk	5,676.76
Nelda Boding	Clerk	3,717.65
Gertrude S. Harris	do	3,717.65
Laura Ann Moran	do	3,359.18
Eve Fatzinick	do	3,359.18
Linda Glavey	do	3,000.71

[1] Includes retroactive pay.

Funds authorized or appropriated for committee expenditures	$50,000.00
Amount of expenditures previously reported	5,859.23
Amounts expended from July 1 to Dec. 31, 1955	25,437.11
Total amount expended from Feb. 24 to Dec. 31, 1955	31,296.34
Balance unexpended as of Dec. 31, 1955	18,703.66

CLAIR ENGLE, *Chairman.*

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

JANUARY 3, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period[1]
Clerical staff:		
Elton J. Layton	Clerk	$7,592.61
Kenneth J. Painter	First assistant clerk	5,364.28
Herman C. Beasley	Assistant clerk	4,697.78
Georgia G. Glasmann.	Assistant clerk-stenographer.	3,394.01
Helen A. Grickis	do	3,394.01
Roy P. Wilkinson	Assistant clerk	2,874.59
Margaret J. Beach	Clerk-typist (H. Res. 105, H. Res. 117).	2,694.33
Professional staff:		
Andrew Stevenson	Expert	7,592.61
Kurt Borchardt	Legal counsel	7,592.61
Sam G. Spal	Research specialist	7,592.61
Martin W. Cunningham.	Aviation consultant	7,100.01

[1] Includes retroactive pay.

Funds authorized or appropriated for committee expenditures	$60,000.00
Amount of expenditures previously reported	852.85
Amount expended from July 1 to Dec. 31, 1955	10,000.00
Total amount expended from Jan. 5, to Dec. 31, 1955	10,852.85
Balance (approximate) unexpended as of Dec. 31, 1955	49,147.15

J. PERCY PRIEST,
Chairman.

COMMITTEE ON THE JUDICIARY

JANUARY 15, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Bess E. Dick	Staff director	$7,301.46
Bessie M. Orcutt	Administrative assistant.	6,746.93
William R. Foley	General counsel	7,301.46
Walter M. Besterman	Legislative assistant	7,301.46
Thomas F. Broden	Counsel	5,879.98
Walter R. Lee	Legislative assistant	7,301.46
Velma Smedley	Clerical staff	4,564.44
Violet Benn	do	4,151.88
Anne J. Berger	do	4,237.50
Lola Bikul	do	3,723.66
Frances Christy	do	3,980.58
Helen Goldsmith	do	3,980.58
Mary D. Weil	do	3,295.50
Total gross increase, retrocative to Mar. 1, 1955, paid in July to the above named employees.		2,967.38

SALARIES PAID FROM JULY 1, 1955, TO DECEMBER 31, 1955, PURSUANT TO H. RES. 98

Herbert N. Maletz	Counsel, Antitrust Subcommittee.	$6,437.28
Kenneth R. Harkins	Cocounsel, Antitrust Subcommittee.	6,065.76
William M. Milligan	Assistant counsel, Antitrust Subcommittee.	4,564.44
Thomas H. McGrail	do	4,564.44
Jerrold Walden	Associate counsel, Antitrust Subcommittee.	2,324.57
Lucille Brooks	Clerical staff	3,980.58
Gertrude C. Burak	do	3,332.60
Elizabeth Meekins	do	2,867.34
Roberta Eisenberg	do	2,389.45
Mike Kelemonick	do	2,439.18
Eileen Browne	do	649.16
Joyce Martinson	do	666.99
Bart D. Wigby	Messenger	266.92
William Lucca	do	1,601.52
Theodore Kreps	Economist, Antitrust Subcommittee.	1,144.40
Total gross increase, retroactive to Mar. 1, 1955, paid in July 1955, pursuant to H. Res. 98.		1,355.55

Funds for preparation of United States Code, District of Columbia Code, and revision of the laws:	
A. Preparation of new edition of United States Code (no year):	
Unexpended balance June 30, 1955	$25,352.00
Appropriated by Legislative Branch Appropriation Act, 1956	100,000.00
Total	125,352.00
Expended, July 1-Dec. 31, 1955	18,119.50
Balance, Dec. 31, 1955	107,232.50

Funds for preparation of United States Code, District of Columbia Code, and revision of the laws—Continued	
B. Revision of the laws:	
Appropriated by Legislative Branch Appropriation Act, 1956	$13, 700. 00
Expended July 1–Dec. 31, 1955	7, 301. 46
Balance, Dec. 31, 1955	6, 398. 54
C. Preparation of new edition of District of Columbia Code (no year):	
Unexpended balance, June 30, 1955	9, 159. 71
Expended July 1–Dec. 31, 1955	6, 395. 70
Balance, Dec. 31, 1955	2, 764. 01

EMANUEL CELLER,
Chairman.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

JANUARY 9, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to January 1, 1956, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period [1]
Ralph E. Casey	Chief counsel	$6, 084. 43
Bernard J. Zincke	Counsel	7, 100. 01
John M. Drewry	do	7, 100. 01
Frances Still	Clerk	5, 725. 70
Charles F. Warren	Assistant counsel	4, 610. 51
William B. Winfield	Assistant clerk	3, 936. 55
Ruth Brookshire	do	3, 377. 07
Vera Barker	Secretary	3, 000. 71
Shirley Schwartz	Minority clerk	4, 255. 33
		45, 190. 32

[1] Includes retroactive pay.

Funds authorized or appropriated for committee expenditures	$50, 000. 00
Amount of expenditures previously reported	12, 143. 84
Amount expended from July 1, 1955 to Jan. 1, 1956	18, 869. 21
Total amount expended from Feb. 2, 1955, to Jan. 1, 1956	31, 013. 05
Balance unexpended as of Jan. 1, 1956	18, 986. 95

HERBERT C. BONNER,
Chairman.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

JANUARY 9, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period
Frederick C. Belen	Chief counsel	$7, 301. 46
Charles E. Johnson	Counsel	6, 938. 89
Henry C. Cassell	Clerk	5, 607. 48
John B. Price	Assistant clerk	3, 723. 66
Lillian Hopkins	do	3, 609. 50
Lucy K. Daley	do	3, 466. 80
Elsa Thornton	Stenographer	$2, 696. 06
Blanche Simons	do	2, 696. 06
Retroactive pay received by the committee staff, July 1955.		1, 533. 59

Funds authorized or appropriated for committee expenditures	$75, 000. 00
Amount of expenditures previously reported	
Amount expended from August 1 to December 31, 1955	7, 604. 35
Balance unexpended as of December 31, 1955	67, 395. 65

TOM MURRAY,
Chairman.

COMMITTEE ON PUBLIC WORKS

JANUARY 10, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period [1]
Charles G. Tierney	Chief clerk and counsel.	$7, 301. 46
Robert F. McConnell	Counsel	7, 301. 46
Joseph F. McGann, Sr.	Staff consultant	6, 808. 86
Margaret R. Beiter	Assistant chief clerk	5, 322. 60
Helen Dooley	Staff assistant	4, 564. 44
Helen A. Thompson	do	3, 766. 50
Louise B. Cullen	do	3, 676. 58
S. Philip Cohen	Staff member	3, 809. 34
Herman J. Slowes	do	3, 103. 05
Ester Saunders	Clerk-messenger	1, 839. 72

[1] Includes retroactive pay.

Funds authorized or appropriated for committee expenditures	$50, 000. 00
Amount of expenditures previously reported	None
Amount expended from July 1 to Dec. 31, 1955	7, 865. 73
Balance unexpended as of Dec. 31, 1955	42, 134. 27

CHARLES A. BUCKLEY,
Chairman.

COMMITTEE ON RULES

JANUARY 9, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period[1]
Thomas M. Carruthers.	Clerk	$4, 757. 55
Jane W. Snader	Minority clerk	3, 896. 86
Agnes R. Hanford	Assistant clerk	3, 412. 93
Total		12, 067. 34

[1] Includes retroactive pay.

HOWARD W. SMITH,
Chairman.

COMMITTEE ON UN-AMERICAN ACTIVITIES

JANUARY 13, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period [1]
Standing committee:		
Donald T. Appell	Investigator	$6, 402. 64
Thomas W. Beale, Sr.	Chief clerk	7, 494. 09
Juliette P. Joray	Secretary to chief clerk.	4, 862. 32
Courtney E. Owens	Investigator	5, 934. 83
Rosella Purdy	Secretary to counsel	4, 147. 83
Carolyn Roberts	Assistant chief of reference section.	3, 896. 86
Thelma I. Scearce	Secretary to investigators.	4, 147. 83
Frank S. Tavenner, Jr.	Counsel	7, 494. 09
Anne D. Turner	Chief of reference section.	4, 947. 84
William A. Wheeler	Investigator	6, 245. 90
Investigating committee:		
Alice W. Anderson	Information analyst	2, 971. 22
Margaret Bentz	Information specialist.	2, 552. 63
Elizabeth Bentley	Consultant (Aug. 1–15).	268. 57
Frank Bonora	Investigator	4, 076. 12
John W. Carrington	Assistant to the clerk.	4, 076. 12
Raymond T. Collins.	Investigator	3, 896. 86
Anniel Cunningham.	Information analyst	3, 179. 91
Barbara H. Edelschein.	Editor	2, 814. 14
Elizabeth L. Edinger.	Clerk-stenographer	3, 260. 61
Earl L. Fuoss	Investigator (retroactive pay).	32. 91
Kathleen Hagenbuch.	Clerk-typist	2, 269. 82
Lillian Howard	Research analyst	3, 717. 65
W. Jackson Jones	Investigator	5, 174. 45
Olive M. King	Editor	3, 322. 31
Stephen V. Kopunek.	Clerk-typist	2, 182. 21
Kathleen M. Lucious.	do	1, 717. 20
Helen I. Mattson	Research analyst	3, 896. 86
Isabel B. Nagel	Clerk-stenographer	3, 436. 83
Robert Newsom	Investigator (Aug. 1–15).	310. 30
Katharine Phillips	Switchboard operator.	2, 114. 30
Maureen P. Roselle	Clerk-stenographer	2, 544. 66
Delores F. Scotti	Investigator	3, 853. 56
Josephine E. Sheetz	Clerk-typist	2, 552. 63
Lela Mae Stiles	Clerk-stenographer	2, 544. 66
Cele F. Sweeney	Clerk-typist	2, 355. 44
Ruth K. Tansill	Information analyst	3, 269. 57
Lorraine N. Veley	Clerk-stenographer	3, 269. 57
Richard S. Weil	Research analyst	3, 766. 96
George C. Williams	Investigator	5, 156. 92
Billie Wheeler	Clerk-stenographer (resigned Sept. 30, 1955).	1, 554. 62

[1] Includes retroactive pay.

Funds authorized or appropriated for committee expenditures	$225, 000. 00
Amount of expenditures previously reported	102, 702. 95
Amount expended from July 1 to Dec. 31, 1955	120, 167. 18
Total amount expended from Jan. 4 to Dec. 31, 1955	222, 870. 13
Balance unexpended as of Dec. 31, 1955	2, 129. 87

FRANCIS E. WALTER,
Chairman.

COMMITTEE ON VETERANS' AFFAIRS

JANUARY 6, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from June 30, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Pro ession	Total gross salary during 6-month period[1]
Oliver E. Meadows	Staff director	$7, 100. 01
Edwin B. Patterson	Counsel	7, 100. 01
Casey M. Jones	Professional aide	7, 100. 01
George Fisher	Clerk	7. 100. 01
Harold A. L. Lawrence.	Professional aide, minority.	7, 100. 01
Ida Rowan	Clerk, minority	7, 100. 01
Paul K. Jones	Assistant clerk	5, 570. 16
J. Buford Jenkins	Staff consultant (select).	6, 537. 63
Helen Wright Biondi	Assistant clerk	4, 344. 99
George Turner	do	3, 672. 82
Alice V. Matthews	Clerk-stenographer	3, 527. 26
Joanne Doyle	Clerk-stenographer (select).	1, 987. 67
Charles S. Allen	Investigator (select)	117. 38

[1] Includes retroactive pay.

Funds authorized or appropriated for committee expenditures	$50, 000. 00
Amount of expenditures previously reported	6, 493. 31
Amount expended from July 1 to Dec. 31	21, 401. 57
Total amount expended from Jan. 1 to Dec. 31	27, 894. 88
Balance unexpended as of Dec. 31, 1955	22, 105. 12

OLIN TEAGUE,
Chairman.

COMMITTEE ON WAYS AND MEANS

JANUARY 12, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Profession	Total gross salary during 6-month period[1]
Leo H. Irwin	Clerk (C)	$7, 592. 61
Russell E. Train	Minority adviser (P).	7, 592. 61
Thomas A. Martin	Professional assistant (P).	7, 230. 68
James W. Riddell	do	5, 505. 71
Frances C. Russell	Staff assistant	4, 629. 68
Susan Alice Taylor	do	4, 255. 33
June A. Kendall	do	3, 861. 36
Anne Gorden	do	3, 493. 61
Virginia M. Butler	do	3, 493. 61
Grace Kagan	do	3, 493. 61
Irene Wade	do	3, 126. 16
Hughlon Greene	Messenger	2, 247. 91
Walter B. Little	do	2, 247. 91

[1] Includes retroactive pay.

JERE COOPER,
Chairman.

SELECT COMMITTEE ON SMALL BUSINESS

JANUARY 12, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name of employee	Pro ession	Total gross salary during 6-month period[1]
Everette MacIntyre	Staff director and general counsel.	$7, 494. 09
William Summers Johnson.	Chief economist and assistant staff director.	6, 905. 21
Marie M. Stewart	Clerk	3, 717. 65
Jane M. Deem	Administrative assistant-clerk.	3, 717. 65
George L. Arnold	Assistant counsel and investigator.	5, 538. 48
Irving Maness	do	5, 414. 63
Justinus Gould	do	4, 311. 65
Eunice V. Hutton	Research analyst-secretary.	3, 717. 65
Katherine C. Blackburn.	Research analyst	3, 583. 22
Clarence D. Everett	Investigator	3, 717. 65
Ila D. Coe	Stenographer	2, 731. 84
Clara G. Romero	do	2, 389. 97
Milton S. Fairfax	do	2, 753. 51
Alice Fay Ebert	do	2, 032. 85
Margaret Fallon Palmer.	Research analyst	3, 448. 78
Pauline Chaternuck	Stenographer	981. 95
Samuel Moment	Consulting economist.	3, 588. 37
Victor P. Dalmas	Assistant to minority.	4, 777. 59
Rosalie Dawes Appleton.	Clerk-typist	371. 81
Marita K. Fanning	Secretary (May 10, 1955 left committee).	97. 04

[1] Includes retroactive pay due to Federal pay increase.

Funds authorized or appropriated for committee expenditures	$170, 000. 00
Amount of expenditures previously reported	47, 185. 73
Amount expended from July 1 to Dec. 31, 1955	82, 071. 00
Total amount expended from Jan. 4 to Dec. 31, 1955	129, 256. 73
Balance unexpended as of Dec. 31, 1955	40, 743. 27

WRIGHT PATMAN,
Chairman.

SELECT COMMITTEE TO CONDUCT AN INVESTIGATION AND STUDY OF THE FINANCIAL POSITION OF THE WHITE COUNTY BRIDGE COMMISSION

JANUARY 4, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

NOTE.—Personal services were furnished to the select committee by the United States General Accounting Office without charge for salaries.

Funds authorized or appropriated for committee expenditures	$10, 000. 00
Amount of expenditures previously reported	None
Amount expended from July 21 to Dec. 31, 1955	$2, 106. 85
Balance unexpended as of Dec. 41, 1955	7, 893. 15

WINFIELD K. DENTON,
Chairman.

SELECT COMMITTEE ON SURVIVOR BENEFITS

JANUARY 10, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1955, to December 31, 1955, inclusive, together with total funds authorized or appropriated and expended by it.

Name o. employee	Profession	Total gross salary during 6-month period
Carnes & Co	Consultants	$8, 800. 00
Audrey A. Lockett	Stenographer (including retroactive pay increase)	1, 494. 26

NOTE.—The firm of Carnes & Co. is retained by the committee under contract to provide all staff personnel required for the committee's study. Those serving with the committee are on the payroll of Carnes & Co.

Funds authorized or appropriated for committee expenditures	$35, 000. 00
Amount of expenditures previously reported	22, 350. 00
Amount expended from July 1 to Dec. 31, 1955	10, 486. 42
Total amount expended from Jan. 1 to Dec. 31, 1955	32, 836. 50
Balance unexpended as of Dec. 31, 1955	2, 163. 50

PORTER HARDY, JR.,
Chairman.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1434. A letter from the Acting Director, Office of Defense Mobilization, Executive Office of the President, transmitting a report entitled "Report on Borrowing Authority" for the quarter ending September 30, 1955, pursuant to section 304 b of the Defense Production Act as amended; to the Committee on Banking and Currency.

1435. A letter from the Manager, District of Columbia Armory Board, relative to asking for a 30-day extension of time in which to submit the Eighth Annual Report and Financial Statement of the District of Columbia Armory Board which, pursuant to section 10, Public Law 605 (act of June 4, 1948), is to be presented to Congress on or before January 31, 1956; to the Committee on the District of Columbia.

1436. A letter from the vice president, the Chesapeake & Potomac Telephone Co., transmitting a statement of receipts and expenditures of the Chesapeake & Potomac Telephone Co. for the year 1955, pursuant to chapter 1628, Acts of Congress, 1904; to the Committee on the District of Columbia.

1437. A letter from the vice president, the Chesapeake & Potomac Telephone Co., transmitting a comparative general balance sheet of the Chesapeake & Potomac Telephone Co. for the year 1955, pursuant to paragraph 14 of the act of March 4, 1913; to the Committee on the District of Columbia.

1438. A letter from the Comptroller General of the United States, transmitting a report on audit findings relating to civil service retirement and disability fund, United States Civil Service Commission, for fiscal years 1954 and 1955; to the Committee on Government Operations.

1439. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation entitled "a bill to provide for a continuing survey and special studies of sickness and disability in the United States, and for periodic reports of the results thereof, and for other purposes"; to the Committee on Interstate and Foreign Commerce.

1440. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation entitled "a bill to extend for 2 years the duration of the hospital and medical facilities survey and construction provisions (title VI) of the Public Health Service Act"; to the Committee on Interstate and Foreign Commerce.

1441. A letter from the Assistant Secretary of the Interior, transmitting a copy of a proposed concession contract with Degnan, Donohoe, Inc., which, when executed by the Director of the National Park Service, will authorize the concessioner to conduct a restaurant, delicatessen, fountain, and bakery business in Yosemite National Park, Calif., in the New Village area of the park, for the term of 20 years from January 1, 1955, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1442. A letter from the Chairman, United States Atomic Energy Commission, transmitting the 19th Semiannual Report of the United States Atomic Energy Commission, pursuant to the Atomic Energy Act of 1954; to the Joint Committee on Atomic Energy.

1443. A letter from the executive officer, National Advisory Committee for Aeronautics, transmitting a report on all tort claims paid by the National Advisory Committee for Aeronautics for the period January 1 to December 31, 1955, pursuant to Public Law 773, 80th Congress; to the Committee on the Judiciary.

1444. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated April 12, 1955, submitting an interim report, together with accompanying papers and an illustration, on Mississippi River at Winona, Minn. This report is submitted in response to resolutions of the Committee on Flood Control, House of Representatives, adopted on September 18, 1944, requesting a review of report on the Mississippi River between Coon Rapids Dam and the mouth of the Ohio River, with a view to determining the advisability of providing flood protection along the Mississippi River above the mouth of the Missouri River (H. Doc. No. 324); to the Committee on Public Works and ordered to be printed, with one illustration.

1445. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated July 22, 1954, submitting a report, together with accompanying papers and an illustration, on a review of report on Purgatoire (Picket Wire) River, Colo., requested by a resolution of the Committee on Flood Control, House of Representatives, adopted on March 20, 1945 (H. Doc. No. 325); to the Committee on Public Works and ordered to be printed, with one illustration.

1446. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1957 in the amount of $994,285 for the Department of State, in the form of an amendment to the budget for said fiscal year (H. Doc. No. 322); to the Committee on Appropriations and ordered to be printed.

1447. A communication from the President of the United States, transmitting proposed amendments to the budget for the fiscal year 1957 for the Department of Labor, involving decreases in the amount of $30,500,000 (H. Doc. No. 323); to the Committee on Appropriations and ordered to be printed.

1448. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation entitled "A bill to provide domestic and community sanitation facilities and services for Indians, and for other purposes"; to the Committee on Interior and Insular Affairs.

1449. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation entitled "A bill to amend the public assistance and related provisions of the Social Security Act to provide separate matching of assistance expenditures for medical care, to provide gradually for equal matching of old-age assistance expenditures supplementing old-age and survivors insurance benefits, to make clear the purpose of encouraging States to provide assistance and services to help strengthen family life and to help needy families and individuals attain self-support or self-care, to assist in improving administration of public assistance programs through research and training, to improve aid to dependent children, and for other purposes"; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BONNER: Committee on Merchant Marine and Fisheries. S. 2286. An act to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense; with amendment (Rept. No. 1686). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. H. R. 8100. A bill to authorize the loan of two submarines to the Government of Brazil; with amendment (Rept. No. 1687). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee on Armed Services. H. R. 8710. A bill to amend the Armed Services Procurement Act of 1947; with amendment (Rept. No. 1688). Referred to the Committee of the Whole House on the State of the Union.

Mr. BURLESON: Committee on Un-American Activities. House Resolution 352. Resolution to authorize the expenditure of certain funds for the expenses of the Committee on Un-American Activities; without amendment (Rept. No. 1691). Referred to the House Calendar.

Mr. BURLESON: Committee on House Administration. House Resolution 355. Resolution to provide funds for the Committee on the Judiciary with amendment (Rept. No. 1692). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 359. Resolution to provide funds for necessary expenses of the Committee on House Administration, without amendment (Rept. No. 1693). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. H. R. 8787. A bill to provide for a prorated stationery allowance in the case of a Member of the House of Representatives elected for a portion of a term; without amendment (Rept. No. 1694). Ordered to be printed.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 4781. A bill to authorize the Territory of Alaska to incur indebtedness, and for other purposes; without amendment (Rept. No. 1695). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 8320. A bill to amend the Agricultural Act of 1949 and the Agricultural Act of 1954 with respect to the special school milk program and the brucellosis eradication program for the fiscal year ending June 30, 1956; with amendment (Rept. No. 1696). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRIEST: Committee on Interstate and Foreign Commerce. H. R. 8704. A bill to extend through June 30, 1957, the duration of the Poliomyelitis Vaccination Assistance Act of 1955; without amendment (rept. No. 1697). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 6703. A bill to authorize the sale of certain land in Alaska to Victor Power, of Juneau, Alaska; with amendment (Rept. No. 1689). Referred to the Committee of the Whole House.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 7513. A bill to authorize the conveyance of certain lands in Alaska to the Matanuska Valley Lines, Inc., and to Russell Swank and Joe Blackard; with amendment (Rept. No. 1690). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 8874. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Ways and Means.

By Mr. BUCKLEY:

H. R. 8875. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Ways and Means.

By Mr. CELLER:

H. R. 8876. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Ways and Means.

By Mr. DAVIDSON:

H. R. 8877. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Ways and Means.

By Mr. DOLLINGER:

H. R. 8878. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Ways and Means.

By Mr. KEOGH:

H. R. 8879. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Ways and Means.

By Mr. KLEIN:

H. R. 8880. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Ways and Means.

By Mr. MULTER:

H. R. 8881. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Ways and Means.

By Mr. ROONEY:

H. R. 8882. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Ways and Means.

By Mr. ZELENKO:

H. R. 8883. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Ways and Means.

By Mr. ANFUSO:

H. R. 8884. A bill to correct an inequity resulting from the setting of the effective date of Public Law 68 of the 84th Congress; to the Committee on Post Office and Civil Service.

By Mr. BAILEY:

H. R. 8885. A bill to extend the duration of the Water Pollution Control Act, to authorize additional amounts for construction loans thereunder, and for other purposes; to the Committee on Public Works.

By Mr. BAUMHART:

H. R. 8886. A bill to encourage construction and maintenance of modern Great Lakes bulk cargo vessels in the interest of peacetime commerce and the national defense; to the Committee on Merchant Marine and Fisheries.

By Mr. BECKER:

H. R. 8887. A bill to authorize certain beach erosion control of the shore of the State of New York from Fire Island Inlet to Jones Inlet; to the Committee on Public Works.

By Mr. BERRY:

H. R. 8888. A bill to amend the wheat-marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. BOSCH:

H. R. 8889. A bill to amend section 601 (a) of the Civil Aeronautics Act of 1938 to require the Civil Aeronautics Board to issue certain regulations concerning air traffic at La Guardia and New York-International (Idlewild) Airports in the State of New York, and Newark Airport in the State of New Jersey; to the Committee on Interstate and Foreign Commerce.

H. R. 8890. A bill to amend section 902 (a) of the Civil Aeronautics Act of 1938, so that the penalties provided therein will apply to violations of civil aeronautics safety regulations; to the Committee on Interstate and Foreign Commerce.

H. R. 8891. A bill to amend the Civil Aeronautics Act of 1938 to prohibit jet-propelled aircraft from using airports located in densely populated areas; to the Committee on Interstate and Foreign Commerce.

By Mr. BROOKS of Texas:

H. R. 8892. A bill to provide for research and technical assistance relating to the control of salt-marsh and other pest mosquitoes of public health importance and mosquito vectors of human disease; to the Committee on Interstate and Foreign Commerce.

By Mr. BROYHILL:

H. R. 8893. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide that annuities shall be adjusted simultaneously with general adjustments in Federal employees' salaries; to the Committee on Post Office and Civil Service.

By Mr. CEDERBERG:

H. R. 8894. A bill to encourage construction and maintenance of Great Lakes cargo vessels for peacetime and national defense use; to the Committee on Merchant Marine and Fisheries.

By Mr. CHIPERFIELD:

H. R. 8895. A bill authorizing the reconstruction, enlargement, and extension of the bridge across the Mississippi River at or near Rock Island, Ill.; to the Committee on Public Works.

H. R. 8896. A bill to provide for effecting the disposition of the Illinois and Mississippi Canal, and for other purposes; to the Committee on Public Works.

By Mr. DINGELL:

H. R. 8897. A bill to repeal provisions of the Internal Revenue Code of 1954 granting special income-tax treatment for dividends received by individuals, and to increase the amount of each personal exemption allowed by such code as a deduction for income-tax purposes; to the Committee on Ways and Means.

By Mr. DIXON:

H. R. 8898. A bill to provide an additional authorization of appropriations for the purchase by the Secretary of Agriculture under the act of May 11, 1938, of lands within the boundaries of the Cache National Forest in the State of Utah; to the Committee on Agriculture.

By Mr. FORD:

H. R. 8899. A bill to direct the Interstate Commerce Commission to make regulations that certain railroad vehicles be equipped with reflectors or luminous material so that they can be readily seen at night; to the Committee on Interstate and Foreign Commerce.

By Mr. GUBSER:

H. R. 8900. A bill to authorize the construction of flood protection measures, with particular reference to areas where severe damages have recently occurred as the result of extraordinary floods; to provide for the construction or alteration of dams under certain conditions, and for other purposes; to the Committee on Public Works.

By Mr. HARRIS:

H. R. 8901. A bill to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 8902. A bill to amend subsection 406 (b) of the Civil Aeronautics Act of 1938, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. HINSHAW:

H. R. 8903. A bill to amend subsection 406 (b) of the Civil Aeronautics Act of 1938, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. KILDAY:

H. R. 8904. A bill to amend certain laws relating to the grade of certain personnel of the Army, Navy, Air Force, and Marine Corps upon retirement; to the Committee on Armed Services.

By Mr. McCARTHY:

H. R. 8905. A bill to amend section 4141 of the Internal Revenue Code of 1954, for the purpose of repealing the manufacturers excise tax on children's phonograph records retailing for 25 cents or less; to the Committee on Ways and Means.

By Mr. MATTHEWS:

H. R. 8906. A bill to prohibit the courts of the United States and all other Federal agencies from deciding or considering any matter drawing in question the administration by the several States of their respective educational systems; to the Committee on the Judiciary.

By Mr. MOSS:

H. R. 8907. A bill to correct an inequity resulting from the setting of the effective date of Public Law 68 of the 84th Congress; to the Committee on Post Office and Civil Service.

By Mr. NORRELL:

H. R. 8908. A bill to amend the Career Compensation Act of 1949 to provide that certain enlisted men retired with credit for service counted as double time shall receive retired pay computed on the basis of the highest federally recognized officer rank or grade held by them during World War I; to the Committee on Armed Services.

By Mr. PELLY:

H. R. 8909. A bill to amend section 6 of the act of August 24, 1912, as amended, with respect to the recognition of organizations of postal and Federal employees; to the Committee on Post Office and Civil Service.

H. R. 8910. A bill to amend paragraph 1629 of the Tariff Act of 1930 so as to provide for the free importation of tourist literature; to the Committee on Ways and Means.

By Mr. PERKINS:

H. R. 8911. A bill to revise the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

By Mr. PRIEST:

H. R. 8912. A bill to extend for 2 years the duration of the hospital and medical facilities survey and construction provisions (title VI) of the Public Health Service Act; to the Committee on Interstate and Foreign Commerce.

H. R. 8913. A bill to provide for a continuing survey and special studies of sickness and disability in the United States, and for periodic reports of the results thereof, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. REUSS:

H. R. 8914. A bill to establish a conservation-civil defense acreage; to promote conservation of soil, water, vegetation, and fish and wildlife; to aid civil defense; to help farmers to achieve a more adequate income; to adjust total agricultural production to consumer and export needs; to maintain an abundant and even flow of farm commodities in interstate commerce, and for other purposes; to the Committee on Agriculture.

By Mr. ROBERTS:

H. R. 8915. A bill to amend the Agricultural Adjustment Act of 1938 so as to increase acreage allotments for the 1956 crop of cotton; to the Committee on Agriculture.

By Mr. RODINO:

H. R. 8916. A bill to provide for loans to enable needy and scholastically qualified students to continue post-high-school education; to the Committee on Education and Labor.

By Mr. ROGERS of Colorado:

H. R. 8917. A bill authorizing condemnation under certain conditions; to the Committee on Appropriations.

By Mr. SMITH of Mississippi:

H. R. 8918. A bill to provide that the Secretary of the Interior shall investigate and report to the Congress as to the advisability of establishing Fort Pemberton, Leflore County, Miss., as a national monument; to the Committee on Interior and Insular Affairs.

By Mr. THOMPSON of Texas:

H. R. 8919. A bill authorizing improvement of a deep draft navigation channel from the Gulf of Mexico through Pass Cavallo to Point Comfort, Tex., designated as the Matagorda Ship Channel; to the Committee on Public Works.

By Mr. THOMPSON of New Jersey:

H. R. 8920. A bill to provide for the promotion and strengthening of international relations through cultural and athletic exchanges and participation in international fairs and festivals; to the Commitee on Foreign Affairs.

By Mr. THOMPSON of Louisiana:

H. R. 8921. A bill to provide for research and technical assistance relating to the control of salt-marsh and other pest mosquitoes of public health importance and mosquito vectors of human disease; to the Committee on Interstate and Foreign Commerce.

By Mr. VINSON:

H. R. 8922. A bill to provide for the relief of certain members of the uniformed services; to the Committee on Armed Services.

By Mr. WILLIS:

H. R. 8923. A bill to provide for research and technical assistance relating to the control of salt-marsh and other pest mosquitoes of public health importance and mosquito vectors of human disease; to the Committee on Interstate and Foreign Commerce.

By Mr. BENNETT of Florida:

H. Con. Res. 207. Concurrent resolution to create a joint congressional committee to make a full and complete study and investigation of all matters connected with the election, succession, and duties of the President and Vice President; to the Committee on Rules.

By Mr. ABBITT:

H. J. Res. 496. Joint resolution to avoid false representations to the consuming public as to the true weight of prepared meat and meat food products subject to shrinkage and to avoid the economic waste and duplication of effort in the weighing of such products; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL:

H. J. Res. 497. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the official founding and launching of the conservation movement for the protection, in the public interest, of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. FERNANDEZ:

H. J. Res. 498. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the official founding and launching of the conservation movement for the protection, in the public interest, of the natural resources of the United States; to the Committee on the Judiciary.

MEMORIALS

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

By the SPEAKER: Memorial of the Legislature of the State of Georgia, memorializing the President and the Congress of the United States relative to congratulating the Commonwealth of Virginia for its leadership in the struggle to preserve the time-honored American concept of State and local control over education, etc.; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States to provide Federal funds for education; to the Committee on Education and Labor.

Also, memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States relative to requesting immediate action on legislation designed to establish for America a modern highway system; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BAILEY:

H. R. 8924. A bill for the relief of Katherine S. Collins; to the Committee on the Judiciary.

By Mr. BAKER:

H. R. 8925. A bill for the relief of James Kanji Hoskins; to the Committee on the Judiciary.

By Mr. CRAMER:

H. R. 8926. A bill to authorize the sale and conveyance of certain of the publicly owned lands of the United States to the American Federation of the Physically Handicapped Institute for Human Engineering; to the Committee on Agriculture.

By Mr. GUBSER:

H. R. 8927. A bill for the relief of Carlos Manuel DaSilva; to the Committee on the Judiciary.

H. R. 8928. A bill for the relief of Miho Sinko; to the Committee on the Judiciary.

By Mr. MACHROWICZ:

H. R. 8929. A bill for the relief of Bernard T. Frydrysiak; to the Committee on the Judiciary.

By Mr. NORRELL:

H. R. 8930. A bill for the relief of Mrs. Micheline Marie Ponder; to the Committee on the Judiciary.

By Mr. OSTERTAG:

H. R. 8931. A bill for the relief of Hubert Wellington James; to the Committee on the Judiciary.

By Mr. SIEMINSKI:

H. R. 8932. A bill for the relief of certain Polish sailors; to the Committee on the Judiciary.

By Mr. STAGGERS:

H. R. 8933. A bill to provide for the conveyance of certain real property of the United States to the former owners thereof; to the Committee on Government Operations.

By Mr. YOUNG:

H. R. 8934. A bill for the relief of Curtis W. Strong; to the Committee on the Judiciary.

By Mr. YOUNGER:

H. R. 8935. A bill for the relief of the estate of John A. Sutter; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

462. By Mr. BEAMER: Petition of the Indiana Council of Churches setting forth resolutions adopted unanimously by the Assembly of the Indiana Council of Churches on Friday, January 20, 1956, at Indianapolis; to the Committee on Interstate and Foreign Commerce.

463. By Mr. NORBLAD: Petition of G. B. Harbison and 20 other citizens of Newberg, Oreg., urging enactment of legislation to prohibit the transportation of alcoholic beverage advertising in intertsate commerce; to the Committee on Interstate and Foreign Commerce.

464. Also, petition of Mrs. R. W. McCormick and 20 other citizens of Dallas, Oreg., urging enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce; to the Committee on Interstate and Foreign Commerce.

465. By the SPEAKER: Petition of the executive director, League of California Cities, Berkeley, Calif., petitioning consideration of their resolution with reference to requesting the appropriation of funds necessary to permit the United States Army Corps of Engineers to construct adequate flood control works on authorized projects in California which have been approved by the State of California; to the Committee on Appropriations.

466. Also, petition of Frank A. Hourihan, Chicago, Ill., relative to case No. 388 Misc., Frank A. Hourihan of Chicago, Ill., petitioner, v. National Labor Relations Board, Paul M. Herzog, Chairman and/or the General Counsel of the Board, and case No. 11346, Frank A. Hourihan of Chicago, Ill., appellant v. National Labor Relations Board, Paul M. Herzog, Chairman of the Board and/or the General Counsel of the Board, appellees; to the Committee on the Judiciary.

467. Also, petition of the city clerk, Rahway, N. J., requesting enactment of the bill H. R. 8190, for the relief of Christa E. Holder; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Address by Senator Potter at Salute to Eisenhower Dinner

EXTENSION OF REMARKS

OF

HON. CHARLES E. POTTER

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Monday, January 30, 1956

Mr. POTTER. Mr. President, I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD an address I delivered at the Salute to Eisenhower Dinner in Chattanooga, Tenn., on January 20, 1956.

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

The first thing I want to say to you folks tonight is "thank you." It is a real pleasure and a great honor to be here with you tonight.

Right at this moment in more than 50 cities across the country over 70,000 persons have gathered with one purpose in mind and that is to render a well-deserved salute to a truly great man, our President, Dwight D. Eisenhower.

I have always been a hearty supporter of President Eisenhower and extremely fond of him as a man and an individual and I hold the greatest respect and reverence for him as the most inspired leader of our day. The record of Tennessee's support of Mr. Eisenhower proves that you feel as I do about him. And so I say "thank you" for the signal honor you have conferred upon me in inviting me to be here with you tonight.

The historic significance of this area forms a great chapter in the history of our country. Your land is beautiful, your recreation facilities are unlimited, the enthusiasm and progressiveness of your industrial and civic development is outstanding.

So my visit here is not only an honor but a real personal pleasure. Again I thank you for the warm and genuine welcome you have given me.

I'm willing to stand up here or anywhere and tell anyone that I think we've got the best political system in the world. Right away I'll agree with you that it's not perfect and it may never be perfect, but in this day and age it's far better than any other system anywhere in the world. It's a system that will involve everyone in the country if they're willing to be involved. It welcomes the participation of any and all.

Our political system is responsive to the participation of its citizens. It is flexible and it is sensitive to changing times and, as we all know, it's even good for a few laughs once in a while. One of the chuckles that I get out of our present political system is the fact that we can always seem to find members of our particular party not only at any place in the country but at any time in history. All we have to do is read a history book, pick out someone we like in times past and say, "Well, now, he is a good Republican." Funny thing about it is, a Democrat can pick up the same book and say, "Why, he's a good Democrat."

It is a natural desire to want to associate ourselves with the men who have been great leaders. It is history itself which outlines to us the great men of past ages but it is not always easy to see the great men of our own times. It is only occasionally that a man of our own times stands out so distinctly by his own character and his own accomplishments that he is known and acknowledged as a great man during his own lifetime.