SENATE

WEDNESDAY, JULY 30, 1958

The Senate met at 10 o'clock a. m.

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

O, Thou God of our salvation, consecrate with a sense of Thy presence the way our feet may go, that the roughest places may be made plain.

We pray for Thy servants who stand on the national pedestal of this Chamber of governance, who speak for so many, and whose words and actions are freighted with the power of life or of death. Scorning narrow partisanship, make them eager prophets of the new dawn of righteousness, which even now reddens the eastern sky, when the severed kingdoms of man's allegiance shall become the one and radiant kingdom of Thine all-embracing love. In the Redeemer's name, Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, July 29, 1958, was dispensed with.

LEAVE OF ABSENCE

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Senator from Connecticut [Mr. PURTELL], commencing at 2 p. m. today, be granted leave of absence from the sessions of the Senate for the remainder of this week, because of a death in his family.

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

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees or subcommittees were authorized to meet during today's session of the Senate:

The Committee on Agriculture and Forestry.

The Committee on Labor and Public Welfare.

The Post Office Subcommittee of the Committee on Post Office and Civil Service.

Mr. O'MAHONEY. Mr. President, last week, before it was known the Senate would be in session this morning at 10 o'clock, the Subcommittee on Improvements in the Federal Criminal Code of the Committee on the Judiciary set a hearing for this morning at 10:30. Witnesses are already gathering to be heard. I anticipate the hearing will be ended by 12 o'clock.

I therefore ask unanimous consent that the Subcommittee on Improvements in the Federal Criminal Code of the Committee on the Judiciary may continue its hearing this morning during the session of the Senate.

Mr. JOHNSON of Texas. Mr. President, I certainly have no objection to such a request. I am informed the minority leader has no objection.

Mr. HRUSKA. There is no objection.

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

Mr. MAGNUSON. Mr. President, a situation similar to that which exists in the case of the subcommittee of which the Senator from Wyoming spoke applies with respect to the Committee on Interstate and Foreign Commerce. Much important legislation and numerous House bills are piling up in that committee. Last week the committee set hearings for this week. I ask unanimous consent that the Committee on Interstate and Foreign Commerce may meet during the session of the Senate this morning.

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

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business; and I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

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

ORDER FOR ADJOURNMENT UNTIL 11 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today, it stand in adjournment until 11 a. m. tomorrow.

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

EXECUTIVE COMMUNICATIONS, ETC.

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

PROPOSED SUPPLEMENTAL APPROPRIATIONS, FISCAL YEARS 1958 AND 1959 (S. DOC. NO. 112)

A communication from the President of the United States, transmitting proposed supplemental appropriations in the amount of $73,000 for the fiscal year 1958 for the legislative branch, and $153,736,881 for the fiscal year 1959 for various agencies (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

NOTICE OF PROPOSED DISPOSITION OF CERTAIN QUININE

A letter from the Administrator, General Services Administration, Washington, D. C., transmitting, pursuant to law, a copy of a notice to be published in the Federal Register of a proposed disposition of approximately 13,860,000 ounces of quinine now held in the national stockpile (with an accompanying paper); to the Committee on Armed Services.

REPORT OF DEPARTMENT OF STATE

A letter from the Under Secretary of State, transmitting, pursuant to law, a report on the operations of that Department, for the 1957 calendar year (with an accompanying report); to the Committee on Forign Relations.

REPORT ON AUDIT OF ACCOUNTS OF FINANCE OFFICERS OF THE AIR FORCE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the audit of accounts of finance officers of the Air Force, fiscal years 1956 and 1957 (with an accompanying report); to the Committee on Government Operations.

PETITIONS

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

By the VICE PRESIDENT:

A resolution adopted by the Virginia Commission on Constitutional Government, Richmond, Va., favoring the enactment of the bill (H. R. 3) to establish rules of interpretation governing questions of the effect of acts of Congress on State laws; to the Committee on the Judiciary.

RESOLUTION OF BOARD OF SUPERVISORS OF ERIE COUNTY, N. Y.

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Board of Supervisors of Erie County, N. Y., favoring the enactment of legislation to increase social security benefits.

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

STATE OF NEW YORK,
Buffalo, N. Y., July 25, 1958.

Resolved, That the Erie County Board of Supervisors does hereby memorialize the Congress of the United States to increase the social security benefits payable to those entitled thereto; and be it further

Resolved, That the clerk of the board be, and is hereby, directed to forward copies of this memorialization to the Clerk of the House of Representatives, the Secretary of the Senate, the chairman of the House Ways and Means Committee and all area Congressmen and Senators.

LEON J. HINKLEY,
Deputy Clerk of the Board of Supervisors of Erie County.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSON of Texas, from the Committee on Space and Astronautics, without amendment:

H. R. 11805. An act to promote the national defense by authorizing the construction of aeronautical research facilities by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research (Rept. No. 2042).

By Mr. HUMPHREY, from the Committee on Government Operations, without amendment:

H. R. 6995. An act to amend Public Law 883, 84th Congress, to provide for the conveyance of certain additional property of the United States to the city of Roseburg, Oreg., and for other purposes (Rept. No. 2045).

By Mr. HUMPHREY, from the Committee on Government Operations, with an amendment:

S. 2519. A bill for the relief of the Crum McKinnon Building Co., of Billings, Mont. (Rept. No. 2043).

By Mr. HUMPHREY, from the Committee on Government Operations, with amendments:

S. 4039. A bill to authorize the expenditure of funds through grants for support of scientific research, and for other purposes (Rept. No. 2044).

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service, with an amendment:

H. R. 7710. An act to provide for the lump-sum payment of all accumulated and current accrued annual leave of deceased employees (Rept. No. 2055).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service, with amendments:

H. R. 8606. An act to amend the Civil Service Retirement Act with respect to annuities of survivors of employees who are elected as Members of Congress (Rept. No. 2056).

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

S. 3789. A bill for the relief of Donald J. Marion (Rept. No. 2047);

H. R. 1565. An act for the relief of Donald R. Pence (Rept. No. 2048);

H. R. 8233. An act for the relief of James L. McCabe (Rept. No. 2049);

H. R. 9006. An act for the relief of John C. Houghton, Jr. (Rept. No. 2050);

H. R. 9756. An act for the relief of Gerald K. Edwards, Lawrence R. Hitchcock, Thomas J. Davey, and Gerald H. Donnelly (Rept. No. 2051);

H. R. 9986. An act for the relief of 1st Lt. Luther A. Stamm (Rept. No. 2052); and

H. R. 12261. An act for the relief of Lucian Roach, doing business as the Riverside Lumber Co. (Rept. No. 2053).

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

H. R. 4059. An act for the relief of Mr. and Mrs. Carmen Scoppettuolo (Rept. No. 2054).

By Mr. ERVIN, from the Commitee on the Judiciary, with amendments:

S. 2836. A bill for the relief of the town of Portsmouth, R. I. (Rept. No. 2046).

By Mr. BYRD, from the Committee on Finance, without amendment:

H. R. 5322. An act to extend certain veterans' benefits to or on behalf of dependent husbands and widowers of female veterans (Rept. No. 2058);

H. R. 10461. An act to amend section 315 (m) of the Veterans' Benefits Act of 1957 to provide a special rate of compensation for certain blind veterans (Rept. No. 2059);

H. R. 11577. An act to increase from $5 to $10 per month for each $1,000 national service life insurance in force the amount of total disability income benefits which may be purchased by insureds, and for other purposes (Rept. No. 2060); and

H. R. 11801. An act to amend sections 802 and 803 of the Veterans' Benefits Act of 1957 to increase the burial allowance for deceased veterans from $150 to $250 (Rept. No. 2061).

By Mr. MAGNUSON (for Mr. PAYNE), from the Committee on Interstate and Foreign Commerce, with amendments:

S. 237. A bill to regulate the interstate transportation of lobsters, and to define the term "lobster" for the purpose of the Federal Food, Drug, and Cosmetic Act (Rept. No. 2062); and

S. 2973. A bill to authorize the Secretary of the Interior to establish a fishery extension service in the Fish and Wildlife Service of the Department of the Interior for the purpose of carrying out cooperative fishery extension work with the States, Territories, and possessions (Rept. No. 2063).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 4183. An act to amend an act entitled "An act to provide for the refunding of the bonds of municipal corporations and public-utility districts in the Territory of Alaska, to validate bonds which have heretofore been issued by a municipal corporation or any public-utility district in the Territory of Alaska, and for other purposes" (54 Stat. 14), approved June 17, 1940; to validate bonds which have heretofore been issued by any municipal corporation, any public-utility district or any school district in the Territory of Alaska; and for other purposes (Rept. No. 2064);

H. R. 4675. An act to provide that certain employees under the jurisdiction of the commissioner of public lands and those under the jurisdiction of the Board of Harbor Commissioners of the Territory of Hawaii shall be subject to the civil-service laws of the Territory of Hawaii (Rept. No. 2065);

H. R. 6785. An act to amend section 26, title I, chapter 1, of the act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900 (48 U. S. C. 381) (Rept. No. 2066); and

H. R. 10423. An act to grant the status of public lands to certain reef lands and vesting authority in the commissioner of public lands of the Territory of Hawaii in respect of reef lands having the status of public lands (Rept. No. 2067).

PAYMENTS AS INCENTIVES FOR PRODUCTION OF CERTAIN STRATEGIC AND CRITICAL MINERALS—ADDITIONAL COSPONSOR OF BILL

Mr. MURRAY. Mr. President, from the Committee on Interior and Insular Affairs, I report favorably, with an amendment, the bill (S. 4146) providing for payments as incentives for the production of certain strategic and critical minerals, and for other purposes, and I submit a report—No. 2057—thereon. I ask unanimous consent that the name of the Senator from Nevada [Mr. MALONE] may be added as a cosponsor of the bill.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar; and, without objection, the name of the Senator from Nevada will be added as a cosponsor, as requested by the Senator from Montana.

BILLS INTRODUCED

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

By Mr. RUSSELL (for himself and Mr. SALTONSTALL) (by request):

S. 4199. A bill to amend title 10, United States Code, with respect to active duty agreements for reserve officers, and for other purposes; to the Committee on Armed Services.

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

By Mr. JAVITS:

S. 4200. A bill to amend the Internal Revenue Code of 1954 so as to permit railroad corporations to take full advantage of tax relief measures enacted or granted by the States and their political subdivisions; to the Committee on Finance.

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

By Mr. LANGER:

S. 4201. A bill to provide for the construction of a dam and reservoir on the Little Missouri River in the State of North Dakota; and

S. 4202. A bill to provide for the construction of a dam and reservoir on the Green River in the State of North Dakota; to the Committee on Public Works.

By Mr. MUNDT:

S. 4203. A bill directing the Secretary of the Interior to compensate certain members of the Pine Ridge Sioux Tribe of Indians for land taken by the United States; to the Committee on Interior and Insular Affairs.

By Mr. HUMPHREY:

S. 4204. A bill to increase the amounts authorized to be appropriated for each fiscal year for the programs of maternal and child health services, services for crippled children, and child welfare services provided for by title V of the Social Security Act; to the Committee on Finance.

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

S. 4205. A bill to amend the law relating to the construction and operation of public parks and recreational facilities on lands in reservoir areas in order to permit the removal of natural resources where necessary for such purposes; to the Committee on Public Works.

By Mr. BIBLE (by request):

S. 4206. A bill to amend section 2 (b) (5), title III of the District of Columbia Income and Franchise Tax Act of 1947, as amended, and for other purposes; to the Committee on the District of Columbia.

PRINTING AS A SENATE DOCUMENT STUDY ENTITLED "LEGAL ASPECTS OF THE USE OF SYSTEMS OF INTERNATIONAL WATERS"

Mr. KUCHEL (by request) submitted the following resolution (S. Res. 351), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed as a Senate document a study, prepared by William Griffin of the Department of State, entitled "Legal Aspects of the Use of Systems of International Waters."

AMENDMENT OF TITLE 10, UNITED STATES CODE, RELATING TO ACTIVE-DUTY AGREEMENTS FOR RESERVE OFFICERS

Mr. RUSSELL. Mr. President, on behalf of myself, and the Senator from Massachusetts [Mr. SALTONSTALL] by request, I introduce, for appropriate reference, a bill to amend title 10, United States Code, with respect to active-duty agreements for Reserve officers, and for other purposes. This bill is requested by the Department of Defense, and is accompanied by a letter of transmittal explaining the purpose of the bill.

I ask unanimous consent that the letter of transmittal be printed in the RECORD.

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

The bill (S. 4199) to amend title 10, United States Code, with respect to active-duty agreements for Reserve officers, and for other purposes, introduced by Mr. RUSSELL (for himself and Mr. SALTONSTALL), by request, was received, read twice by its title, and referred to the Committee on Armed Services.

The letter of transmittal is as follows:

THE SECRETARY OF DEFENSE,
Washington, July 19, 1958.

Hon. RICHARD M. NIXON,
President, United States Senate,
Washington, D. C.

DEAR MR. PRESIDENT: There is enclosed a draft of proposed legislation to amend title 10, United States Code, with respect to active-duty agreements for Reserve officers, and for other purposes.

This proposal is a part of the Department of Defense legislative program for 1958 and the Bureau of the Budget has advised that there is no objection to its submission for the consideration of the Congress. It is recommended that this proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of the proposed legislation is to provide an improved status for Reserve officers on active duty with the Armed Forces. This legislation is urgently needed to raise the critically low rate of retention of Reserve officers beyond their obligated tours of duty. The Department of Defense recommends that the proposed legislation be enacted in place of H. R. 10171, which is now before the Committee on Armed Services. While H. R. 10171 would have a stabilizing effect on tours for Reserves, further study has indicated that certain additional features would be desirable and these have now been incorporated in the attached proposal. The principal features of this proposal are:

(1) It makes contracts mandatory rather than permissive for Reserve officers on active duty after the first 2 years of commissioned service, but eliminates the present one-half month pay for these first 2 years.

(2) If he completes a contract, a Reserve officer would receive 2 months' basic pay for each year served under that contract, whether he is released involuntarily or not. Under present law he receives one-half of 1 month's basic pay for each month served but receives nothing if he leaves the service at his own request.

(3) If the Reserve officer, while rendering satisfactory service, is involuntarily released during the term of the contract, he would, under this proposal, be paid 2 months' basic pay for each year that he has served under contract. In addition, he would receive 1 month's basic pay and allowances for each year of the uncompleted contract. Under the present law if he is involuntarily released during the term of a contract he can receive only one-half of 1 month's basic pay for each year served or 1 month's basic pay and allowances for each year of the uncompleted contract, but not both.

(4) As a transitional measure for those presently on duty who would be eligible for a contract under this proposal and who may be separated involuntarily, the bill would provide more equitable treatment for those who have served on active duty for more than 10 years by increasing the present rate from one-half of 1 month's basic pay per year to 2 months' basic pay per year beyond the 10-year mark.

(5) Finally, this proposal would provide that if a Reserve officer has rendered satisfactory active-duty service for a period of 14 years he will either receive a Regular commission, be given a contract for 6 years, or be released from active duty with appropriate readjustment pay. Such a Reserve officer who has served 12 years under contract would, if released, receive the equivalent of 2 years' basic pay, as would a Regular officer with 14 years of service if involuntarily released.

COST OF LEGISLATION

The estimated gross cost under this bill for fiscal year 1959 is $6,615,000. It is believed, however, that this cost would be offset by reduced training load, and reduced procurement and separation costs. More important, however, the retention of trained officers would provide the Armed Forces with a much greater degree of efficiency among the junior officers on active duty. Such values are largely intangible and, therefore, no attempt has been made to estimate them.

Sincerely yours,

DONALD A. QUARLES,
Deputy.

AMENDMENT OF LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION ACT, RELATING TO A SYSTEM OF SAFETY RULES—AMENDMENT

Mr. BUTLER submitted an amendment, intended to be proposed by him, to the bill (S. 3486) to amend section 41 of the Longshoremen's and Harbor Workers' Compensation Act so as to provide a system of safety rules, regulations, and safety inspection and training, and for other purposes, which was ordered to lie on the table, and to be printed.

EXEMPTION OF CERTAIN ASPECTS OF PROFESSIONAL TEAM SPORTS FROM APPLICABILITY OF ANTITRUST LAWS—AMENDMENT

Mr. LANGER submitted an amendment, intended to be proposed by him, to the bill (S. 4070) to limit the applicability of the antitrust laws so as to exempt certain aspects of designated professional team sports, and for other purposes, which was referred to the Committee on the Judiciary, and ordered to be printed.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, TO CORRECT UNINTENDED BENEFITS AND HARDSHIPS—AMENDMENTS

Mr. WILLIAMS (for himself, Mr. AIKEN, Mrs. SMITH of Maine, Mr. PURTELL, and Mr. POTTER) submitted an amendment, intended to be proposed by them, jointly, to the bill (H. R. 8381) to amend the Internal Revenue Code to correct unintended benefits and hardships and to make technical amendments, and for other purposes, which was ordered to lie on the table, and to be printed.

Mr. TALMADGE submitted amendments, intended to be proposed by him, to House bill 8381, supra, which were ordered to lie on the table, and to be printed.

Mr. ERVIN (for himself, Mr. JORDAN, and Mr. PASTORE) submitted an amendment, intended to be proposed by him, to House bill 8381, supra, which was ordered to lie on the table, and to be printed.

CODIFICATION OF TITLE 23, UNITED STATES CODE, ENTITLED "HIGHWAYS"—AMENDMENTS

Mr. LANGER submitted amendments, intended to be proposed by him, to the bill (H. R. 12776) to revise, codify, and enact into law, title 23 of the United States Code, entitled "Highways," which was ordered to lie on the table, and to be printed.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, RELATING TO TAX REVISION FOR SMALL BUSINESS—AMENDMENTS

Mr. BRICKER submitted an amendment, intended to be proposed by him, to the bill (H. R. 13382) to amend the Internal Revenue Code of 1954 to provide tax revision for small business, which was referred to the Committee on Finance, and ordered to be printed.

Mr. MARTIN of Pennsylvania submitted amendments, intended to be proposed by him, to House bill 13382, supra, which were referred to the Committee on Finance, and ordered to be printed.

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

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

By Mr. COOPER:

Address delivered by Senator HILL at dinner honoring Secretary Marion Folsom, of the Department of Health, Education, and Welfare, at the Cosmos Club, Washington, D. C., July 29, 1958.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

THE VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

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

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

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

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

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. BRICKER, from the Committee on Interstate and Foreign Commerce:

Robert W. Minor, of Ohio, to be Interstate Commerce Commissioner.

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

Will Connell and Robert P. Michaud, for permanent appointment as ensigns in the Coast and Geodetic Survey.

By Mr. BYRD, from the Committee on Finance:

Russell E. Atkinson, of New Jersey, to be Comptroller of Customs at Philadelphia, Pa.; and

Emile A. Pepin, of Rhode Island, to be collector of customs for customs collection district No. 5, with headquarters at Providence, R. I.

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the calendar will be stated.

UNITED NATIONS

The Chief Clerk read the nomination of Henry Cabot Lodge, of Massachusetts, to be a representative of the United States of America to the 13th session of the General Assembly of the United Nations.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of MICHAEL J. MANSFIELD, United States Senator from the State of Montana, to be a representative of the United States of America to the 13th session of the General Assembly of the United Nations.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of BOURKE B. HICKENLOOPER, United States Senator from the State of Iowa, to be a representative of the United States of America to the 13th session of the General Assembly of the United Nations.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I am very much pleased that the President has seen fit to nominate to these very important positions two of our distinguished colleagues, one of whom is the distinguished assistant Democratic leader and also a very able member of the Foreign Relations Committee and the other of whom is a very distinguished and able member of the Joint Committee on Atomic Energy. I know they will serve diligently, with credit to the country.

The Chief Clerk read the nomination of Herman Phleger, of California, to be a representative of the United States of America to the 13th session of the General Assembly of the United Nations.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of George McGregor Harrison, of Ohio, to be a representative of the United States of America to the 13th session of the General Assembly of the United Nations.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of James J. Wadsworth, of New York, to be alternate representative of the United States of America to the 13th session of the General Assembly of the United Nations.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Miss Marian Anderson, of Connecticut, to be alternate representative of the United States of America to the 13th session of the General Assembly of the United Nations.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. PURTELL subsequently said: Mr. President, the State of Connecticut was paid a great honor this morning by the confirmation of the nomination of one of our outstanding citizens to be alternate representative of the United States of America to the 13th session of the General Assembly of the United Nations. I refer to that grand woman, Miss Marian Anderson. I should like to read an editorial entitled "Marian Anderson's New Role," which was published in the New York Times of last Friday, July 25:

MARIAN ANDERSON'S NEW ROLE

There is something special about the appointment of Marian Anderson to be a member of our delegation at the next meeting of the United Nations General Assembly. The choice may be construed as a recognition of her own unique worth. We like to think, however, that it is rather a way in which the United States does honor to the world organization.

Obviously, the respect that we have for the United Nations must be reflected in the choice of the persons whom we name to represent us. And when we name one of the greatest artists of our time we show that we do not hold the United Nations lightly. We are immensely proud that Miss Anderson can be a voice for us, and we are sure that she will not lack those who wish to hear.

The role should sit gracefully upon her. Last year she did a wonderful job for her country in a worldwide tour. She showed that she knew how to speak the language of our common humanity with a singular eloquence. Her voice will be heard again, and we will be listening for it.

Mr. President, I speak for all the people of the State of Connecticut when I say that we are indeed proud of this appointment.

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

Mr. PURTELL. I yield.

Mr. JAVITS. I associate myself with the remarks of the Senator from Connecticut and point out that in our country we are not afraid to send an artist to the United Nations for fear the artist will defect, because we know that the artist is wedded to the finest values which we represent. This appointment, I think, is one of the great tributes to our kind of society.

I think our colleague from Connecticut is to be highly complimented for calling the attention of the Senate to this signal appointment.

Mr. PURTELL. I thank the Senator from New York.

Mr. BUSH subsequently said: Mr. President, I note with great satisfaction the confirmation by the Senate of the nomination of Marian Anderson, of Danbury, Conn., to serve as one of the delegates of the United States to the 13th General Assembly of the United Nations. She is a very distinguished woman. Her home has not always been in Connecticut, but in recent years our State has been her home. We are very proud of the fact that this great artist and great American has been chosen to represent the United States in the very important deliberations which the United Nations will hold during the coming autumn.

The Chief Clerk read the nomination of Watson W. Wise, of Texas, to be alternate representative of the United States of America to the 13th session of the General Assembly of the United Nations.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Mrs. Oswald B. Lord, of New York, to be alternate representative of the United States of America to the 13th session of the General Assembly of the United Nations.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Irving Salomon, of California, to be alternate representative of the United States of America to the 13th session of the General Assembly of the United Nations.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. JAVITS and Mr. O'MAHONEY addressed the Chair.

The VICE PRESIDENT. Does the Senator from Texas yield; and if so, to whom?

Mr. JOHNSON of Texas. I yield first to the Senator from New York, who first requested me to yield; and then I shall yield to the Senator from Wyoming.

Mr. JAVITS. I thank the Senator from Texas.

Mr. President, I wish to note the confirmation which the Senate has so kindly made today of the nominations of two New Yorkers; young James Wadsworth—we call him young, because so many of us served with his father—and Mrs. Oswald B. Lord. Both of them are distinguished citizens of my State, and in the work of the United Nations have made outstanding records, of which we in New York are very proud. They have proceeded with vigor and with wisdom, and with the good taste which is typical of the approach of the free nations. That is in very marked contrast to the boorishness we see exhibited by some on the international scene.

Therefore, Mr. President, when two such outstanding exponents of decency, both in spirit and in ideology, and also in their conduct and relations with that great international body, have been nominated to serve on it, and when their nominations have been confirmed by the Senate, I believe that fact should be noted.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations for postmasters.

Mr. JOHNSON of Texas. Mr. President, I ask that the nominations of postmasters be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations of postmasters will be considered en bloc, and they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be immediately notified of the nominations today confirmed.

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

LEGISLATIVE SESSION

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

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

RECORD OF THE PRESENT SESSION

Mr. JOHNSON of Texas. Mr. President, there have been few sessions in my memory in which the Members have worked so hard. There have been even fewer which have been so productive. I alluded to this yesterday. I should like to go into some detail and make an insertion in connection with my statement today.

This session can pass any test in assessing legislation—either quantity or

quality. And the record of the session is one in which every Member can take pride.

It has not been a partisan record. Our achievements are the results of contributions which have been made by Democrats and Republicans alike.

The Senate has been regarded as a forum in which to settle the issues which are before the American people. The number of issues which have been resolved is impressive.

It is possible, of course, to find many things that have not been done. We still have time before us, and it is productive time. We hope that we can resolve a number of other issues before we adjourn.

But true perspective is gained by looking at what has been done.

The Senate Majority Policy Committee has prepared lists of major bills which have passed both Houses and major bills which have passed the Senate. For the benefit of my colleagues on both sides of the aisle, I ask unanimous consent that these lists be printed in the RECORD as part of my remarks.

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

MAJOR LEGISLATIVE ACTIONS

85TH CONGRESS, 2D SESSION

PUBLIC LAW OR PASSED BOTH HOUSES AS OF JULY 29, 1958

National defense and internal security

1. Reorganization of the Department of Defense.
2. Authorized $54.6 million for expansion of missile bases and warning systems and created ARPA. (Public Law.)
3. Authorized $386 million for Atomic Energy Commission construction and expansion.
4. Authorized atomic-powered destroyer. (Public Law.)
5. Military Compensation Act. (Public Law.)

International affairs

1. Authorized $3.03 billion for mutual security program. (Public Law.)
2. Reciprocal Trade Act.
3. Authorized exchange of mutually essential atomic information and materials with allies. (Public Law.)
4. Increased lending authority of Export-Import Bank by $2 billion. (Public Law.)
5. Adjustment of status of 30,000 Hungarian escapees. (Public Law.)
6. Resolution relating to the establishment of an international plan for the peaceful exploration of outer space.

Governmental organization

1. National Aeronautics and Space Act of 1958.
2. Admitted Alaska as a State to the Union. (Public Law.)
3. Classification Act employees increase. (Public Law.)
4. Authorized training of Government employees in outside schools.
5. Increased the jurisdictional amount required for civil suits in Federal courts.

National economy

1. Emergency $1.8 billion Housing Act. (Public Law.)
2. Increased $4 billion authorization for FHA mortgage insurance. (Public Law.)
3. Authorized $5.5 billion for highway construction, including $1.8 billion additional to create jobs and expedite work. (Public Law.)
4. Provided optionally to States, for repayment in 5 years, up to 15 weeks' additional unemployment compensation. (Public Law.)
5. Authorized Federal guaranty of railroad loans up to $700 million. (Conference.)
6. Increased postal rates and postal pay. (Public Law.)
7. Authorized advanced purchases of supplies and equipment from fiscal year 1959 appropriations to stimulate business. (Public Law.)
8. Broadened lending authority of Small Business Administration. (Public Law.)
9. Small Business Administration made permanent, its lending authority increased and interest rates reduced.
10. Authorized construction and sale by Maritime Board of two passenger superliners.
11. Small Business Investment Act. (Conference.)

Agriculture

1. Barred reduction of 1958 farm price supports below 1957 level and barred cuts in acreage allotments for 2 years. (Vetoed.)
2. Extended soil conservation program for 4 years.
3. Extended Agricultural Trade Development and Assistance Act for sales of surpluses abroad.

Natural resources

1. Authorized $1.5 billion for flood control, rivers and harbors. (Public Law.)

Social security, health and welfare

1. Extended for 3 years special school-milk program with authorization of $75 million annual expenditure. (Public Law.)
2. Authorized $1 million grants-in-aid to train public-health specialists, technicians, and administrators.
3. Increased civil-service annuities. (Public Law.)
4. Extended for 3 years the Hill-Burton Hospital Survey and Construction Act.
5. Authorized the largest expenditures in history for medical research—$294,383,000, which exceeded the budget estimate of $211,183,000 by $83,200,000. The amounts provided for the various research activities as compared with the budget estimates are:

[In millions of dollars]

Activity	Budget	Appropriation	Increase
General research	$17.742	$28.974	$11.232
Cancer	55.923	75.268	19.343
Mental health	37.697	52.419	14.712
Heart	34.712	45.613	10.901
Dental	6.293	7.420	1.127
Arthritis	20.592	31.215	10.623
Allergy	17.497	24.071	6.574
Neurology	20.727	29.403	8.676

6. Extended Federal assistance programs for school construction in areas affected by Federal activities.

MAJOR LEGISLATIVE ACTIONS 85TH CONGRESS 2D SESSION

SENATE PASSED (AS OF JULY 29, 1958)

Governmental organization

1. Established Federal Aviation Agency.

National economy

1. Authorized $200 million loans and $75 million grants for redevelopment aid for areas of unemployment.
2. Authorized $2 billion construction loan fund for public facilities except schools.
3. Extended Federal Airport Act for 5 years and authorized $100 million annually for 5 years for construction.

Agriculture

1. Conferred on Federal Trade Commission joint authority with Agriculture Department to prevent monopolistic practices in meat industry.
2. Agricultural Act of 1958.

Natural resources

1. Provided 5 year program for Government price support of minerals.
2. Extended program for critical minerals exploration.

Social security, health and welfare

1. Housing Act of 1958—authorized $2.4 billion for housing for elderly persons, slum clearance and urban renewal, college housing, class rooms and public housing and extends military housing for 1 year.
2. Labor-Management Reporting and Disclosure Act of 1958.
3. Required reporting and full disclosure of employee welfare and pension funds.
4. Provided grants to install educational TV equipment.
5. Encouraged expansion of teaching and research in education of mentally retarded children.

Mr. LAUSCHE. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield to the Senator from Ohio.

Mr. LAUSCHE. In June the Senate passed what is known as the modernized budgeting bill for the Federal Government. It was passed without a dissenting vote. Since that time the House has passed a bill on the same subject. It came to the Senate, was recommended for adoption by the committee, and is now on the calendar.

I have the fear that very important bill, for which there was unanimous support in the Senate, and which the people of the country applauded, is likely to die unless some special effort is made to have the House bill considered by the Senate. I should like to ask the leader of the majority what the prospects are for that bill being considered.

Mr. JOHNSON of Texas. The bill had extensive hearings in the Committee on Appropriations last week. It was referred to the committee by unanimous consent in the absence of the majority leader. It was taken from the calendar, without my knowledge, and referred to the Committee on Appropriations because it violated some rules of the Senate.

There has been a great deal of publicity concerning the bill. Members have received numbers of letters from all over the country pointing up the fact that huge savings will flow from enactment of the bill. I am not in a position to testify as to whether that is correct. Mr. McNeil, comptroller of the Defense Department, who is considered to be one of the most prudent of men, testified that, in his opinion, if the bill were enacted it would necessitate the employment of five or six thousand additional clerks.

After some discussion in the Appropriations Committee, a majority of that committee voted to return the bill to the calendar. The bill is now on the calendar and will be considered by the policy committee on a not too distant date. It will depend on how we get along with the bill which has been taken up on motion, and how much discussion there is of it. As soon as the Policy Committee takes action on the bill, we shall make a report to the Senate. In any event, the bill will have to go to conference, because there may be some differences between the House and Senate versions of the bill. The bill was drasti-

cally amended in the House on motion by Mr. Wigglesworth. I think the record of the hearings which were held in the Appropriations Committee have been printed. I shall check on that. But the policy committee will give consideration to taking up the bill by motion.

Mr. LAUSCHE. For whatever it may be worth, I think it can be conceded that the people of the country have been expecting some action to be taken to modernize our budgeting practices, and there was great joy expressed rather generally when the Senate passed the bill. It is my understanding the Senate version is in substantial conformity with the bill passed by the House. I think it would be tragic if, after there was unanimous support given by each Member of the Senate to the bill, we now allow events to come to pass which will mean the death of the bill through delay. I hope the policy committee will vote to have the House bill considered by the Senate.

Mr. JOHNSON of Texas. I assure the Senator from Ohio we do not want anything tragic to happen. Many Members think that if certain bills are not considered, tragedies will result. I assure the Senator the policy committee will consider the bill and will act on it before the session is over.

HUMANE METHODS OF SLAUGHTER OF LIVESTOCK

Mr. ALLOTT. Mr. President, I should like to inquire whether the Senate is now in legislative session, or in the morning hour, and whether the time is limited.

The VICE PRESIDENT. The Senate is in the morning hour, and the 3-minute rule applies.

Mr. ALLOTT. Mr. President, I should like to comment on H. R. 8308, which the Senate passed yesterday afternoon. Because of the lateness of the hour, and because it was very obvious that very little could be accomplished by saying anything at that time, I should like to make a statement now.

I voted for the bill. I am not sure I would vote for it this morning. I call to the attention of my colleagues the fact that I think the bill is one of the best, prime examples of what legislation should not be that the Congress of the United States has ever passed.

In the first place, we are delegating to the Secretary of Agriculture powers which should not be delegated, and we are not even providing standards under which those powers shall be exercised. To top it all off, we are completely inconsistent in the matter.

In addition to that, in subparagraph (b) we give the Secretary complete power to decide even that what the bill says in a very vague way are humane methods of slaughter, and therefore can be used, are not humane methods, if the Secretary decides he wants it that way.

I rise this morning—and perhaps everyone wonders why I rise—only because I think this is the worst kind of bill which could ever be drawn. Perhaps we will accomplish something along the general road, but I do not think we ever accomplish anything by passing such bad legislation drawn in such a crude way, even though the purposes we intend to accomplish are good. All that can happen by this kind of legislation is that ultimately we will convey the rights and privileges of the American people out the window; we will forfeit the real responsibilities, and we will abdicate the rights which the Constitution gives the Senate of the United States.

Mr. President, I desire to speak on another subject.

The VICE PRESIDENT. The Senator from Colorado.

OIL SHALE DEVELOPMENT

Mr. ALLOTT. Mr. President, I have a short statement I should like to make, which will probably take a minute or a minute and a half more than 3 minutes. I ask unanimous consent that I may make the statement at this time.

The VICE PRESIDENT. Is there objection to the request of the Senator from Colorado? The Chair hears none, and the Senator from Colorado may proceed.

Mr. ALLOTT. Mr. President, there is an aspect to the tense situation in the Middle East which deserves the immediate and earnest consideration of the Congress. That is the question of oil.

We think sometimes of the United States as an oil-rich Nation. Yet since 1938 our exports have dropped 30 percent—from 500,000 barrels daily to 345,000. In the same period our imports shot up 10 times—from 150,000 to 1,425,000 barrels daily.

We import only about 235,000 barrels daily from the Mid-East. But our allies in Western Europe import 1,800,000 barrels daily from the Mid-East. This is nearly three-fourths of all the Western European oil imports, and Western Europe must depend primarily upon imports for its oil.

Last year we produced 47 percent of the free world's crude oil. The Middle East produced 23 percent. But, of the proved reserves for the future, only 13 percent of these in the Free World are in the United States, and 72 percent are in the Middle East, according to figures of the American Petroleum Institute.

In view of these and other statistics and in view of the grave situation in the Middle East, I do not believe we can afford to do anything but exert every effort to develop every possible source of power. This should include atomic energy, new uses for coal, even solar energy. But, specifically, we should set ourselves ready to tap a great source of oil.

I am talking of oil from what we call oil shale. This type of rock underlays a large portion of the area from the Appalachians to the Mississippi River. The largest known deposits, however, are in Colorado, Utah, and Wyoming. In Colorado alone, there is oil shale which the United States Geological Survey estimates will yield 900 billion barrels of kerogen, the equivalent of crude oil. Total reserves are figured at 1.5 trillion barrels. In comparison, proved recoverable reserves from petroleum at the end of 1956 were 30.4 billion barrels, and estimates of so-called ultimate reserves, which make allowance for probable technological improvements, ranged from 140 billion to 300 billion barrels. In other words, Colorado shale alone contains at least three times as much oil as that estimated in total United States petroleum reserves. And that does not take into consideration the reserves in the Appalachians or the reserves in our sister States of Utah and Wyoming.

Through years of experiment, at least three different groups each have reached the conclusion that the production of oil from shale can be on a competitive basis with production from petroleum. They have done this through actual pilot-plant operations. These are: The Bureau of Mines, The Union Oil Company of California, and the Denver Research Institute, which organization worked for the Oil Shale Corp. When I say competitive, I mean just that. These groups, in doing their figuring, have assumed that oil from shale would enjoy the same depletion allowance now granted oil from petroleum.

Legislation to grant this equality has been offered in the Senate by me and in the other body by my distinguished colleague from Colorado, Mr. WAYNE ASPINALL. These bills would grant the same 27½ percent depletion allowance to oil shale, coal, gilsonite, and other solid deposits when used as a source of liquid fuel. This proposal has the formal approval of the Department of the Interior. I would like to quote just two paragraphs from the letter of Secretary Seaton to the chairman of the Senate Finance Committee concerning my Senate Joint Resolution 92, which is virtually identical to the former S. 3302, introduced by me:

> Enactment of the joint resolution will provide the same tax treatment for similar physical products without regard to the physical operations necessary to produce those commodities, and would result in treating the production of shale oil and petroleum on an economically comparable basis for purposes of Federal income taxation. Equalization of the percentage depletion allowance for the two industries would reduce the disparity in their tax treatment under existing statutes. In our view, favorable action by the Congress on Senate Joint Resolution 92 will, in all likelihood provide a strong inducement for the investment at this time of needed funds for research, engineering, and commercial plant construction, by making capital investment in aid of shale development more attractive, and thereby help to bring into being more promptly a shale-oil industry, with its potentially vast contribution to the energy supply of the Nation.
>
> It is our opinion, after taking into account relevant factors of national significance, that those who take the risk to establish a shale-oil industry should have their tax treatment equated, to the extent that it is possible, with the producers of petroleum and petroleum products. Not only will the Nation benefit from a new source of domestically produced liquid fuel, but in addition, if the industry is successful, the Federal Treasury will be enhanced because of additional tax revenues from this completely new industry. Therefore, we believe this legislation should

be enacted on the basis of fairness and because of the urgent need for the development of this new industry. In coming to these conclusions we have been guided by the existence of percentage depletion allowance as an element of Federal tax policy.

I might add, the Bureau of the Budget advised the Department of the Interior that it had no objection to the stand taken by that Department.

There is one other matter which should be considered if we are to speed development of this great new industry. The administration policy is to encourage private development. Much of the oil shale in my own State is located on naval oil shale reserves. The Navy, according to an opinion of the Attorney General, has no statutory authority to lease either the plant facilities at Rifle, Colo., or the shale reserves to private industry. Legislation also has been introduced to fill this legal void.

We should be remiss in our duty to our Nation if we were to adjourn in haste without doing everything possible to prepare to tap this rich, new source of fuel.

TEMPORARY APPROPRIATIONS FOR THE FISCAL YEAR 1959, AND FOR OTHER PURPOSES

Mr. HAYDEN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 672, to amend a joint resolution making temporary appropriations for the fiscal year 1959.

The VICE PRESIDENT laid before the Senate the joint resolution (H. J. Res. 672) amending a joint resolution making temporary appropriations for the fiscal year 1959, and for other purposes, which was read twice by its title.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arizona?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 672) amending a joint resolution making temporary appropriations for the fiscal year 1959, and for other purposes.

Mr. HAYDEN. Mr. President, the resolution merely provides for the month of August for those agencies and departments with respect to which the Appropriation Act has not been signed into law. It is an extension of the continuing resolution for 1 additional month from July 31 to August 31. It is a routine resolution, and is worded exactly as it was worded last year and last month.

The VICE PRESIDENT. The question is on the third reading of the joint resolution.

The joint resolution (H. J. Res. 672) was ordered to a third reading, read the third time, and passed.

LT. GEN. JAMES M. GAVIN

Mr. SYMINGTON. Mr. President in the early spring of 1924 an Irish orphan, James M. Gavin, enlisted as a private in the United States Army.

Thirty-four years later Lt. Gen. James Gavin gave up his Army career because he felt he could better serve his country outside of the service.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD some remarks General Gavin made before the Senate Armed Services Committee the last time he testified before that committee.

As Senators read these remarks, they should bear in mind how far and high this young citizen had come from that orphanage in Brooklyn, through the mines of Pennsylvania, to combat record equal to that of any American who ever lived.

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

There was some remark entered into the record about tucking one's tail between one's legs and running up a white flag.

Well, I have had hundreds of letters and telegrams from veterans, and they all start out with a feeling of regret about what I am doing; and then all come around to saying we are confident you are doing what you consider the right—and it is clear to me they understand what I am trying to do.

Let me say we are brought up to do things a certain way, this Army that you have created. And I am a product of it.

As a matter of fact, I came to it, a week after my 17th birthday. I went to West Point. I worked very hard.

I was taught things to do there and left there, and went out to apply them.

When World War II came I was an instructor, teaching what I had learned; and for war it is to seek danger, because there is where the decision is made.

And I went out to try to do it, volunteering for the parachute troops. I was a fortunate man, in that I was allowed to take in the first big assault.

I took 3,000 troopers into Sicily, and left a lot of them there.

One or two of them who were with me sent telegrams during the last couple of days.

Well, I was shot at, the range of the length of this table, by small arms; but I survived. Then I went back in at Salerno, a parachute operation. That was easy, up to the Volturno.

Then I went up to London to advise General Eisenhower as an airborne adviser, and we planned the Normandy operation.

I asked to go back to my outfit, and took them in at the Normandy invasion, about 6,000 paratroopers.

Our officer losses there were about 65 percent.

That is where the danger was, that is where the decisions were made, and that is where I was brought up to go.

I had an aide killed there. My other aide was wounded. He is now out at Moorhead, Minn., practicing law.

We were 33 days in Normandy, with tremendous losses.

Then I took a division by parachute deep behind the German lines into Holland.

I was shot at during that operation with a man who is now a preacher down in Kentucky. A Nazi machine gunner was just the length of this table. We just walked in and traded opportunity, and we won. I merely point this out because one goes to the point of danger, because that is where decisions are made; and we have been brought up to do this.

From there we went to the Battle of the Bulge, and I had another aide wounded there, his leg shot off on a frosty Belgium road.

Another aide with me was also wounded then—but we went through that bulge. It was tough.

We went on to the end of the war and I think went into Berlin with one of the finest instruments ever developed by our country.

We were ready to fight anybody, including the Russians—and we made it apparent to the Russians.

As General Clay can tell you, nobody pushed us around in Berlin.

Well, we came on back, and that indeed ended that. Then we had the promise of peace, and I have been trained in peace, above all, to be honest, to be cooperative with my fellow servicemen, and to obey my civilian superiors.

I tried to do this, but when the time comes clearly that I cannot obey, or cannot be honest, I have no choice, gentlemen. I am not brought up to do otherwise; and this is the problem I am now faced with.

I am not angry with any one. I don't want promotion. I want to be honest with myself. I want to serve my country the way I have been brought up, to walk into danger. That is why I am here.

I asked to go to this committee because, I thought, there is where decisions are going to be made to affect the security of this country. I am here for that reason.

Mr. SYMINGTON. Mr. President, at the end of this statement, the room was very quiet for some time.

That is the kind of person who can come out of the melting pot of this, the greatest country in the world.

Now General Gavin has written a book, which bears out the apprehensions of so many of us, apprehensions often created because the facts given the American people so often did not conform to the facts given the Senate Armed Services Committee in secret session.

As reported in the press this morning, the reaction of the former Secretary of Defense, Charles E. Wilson, to General Gavin's book was: "Gavin is just another overly inflated Army officer with an exaggerated regard for his ability. He is just trying to sell his book."

This estimate should surprise no one, although Mr. Wilson should not judge others by himself. Everything in his life was built to sell.

RETIREMENT OF ERNEST S. GRIFFITH, DIRECTOR OF THE LEGISLATIVE REFERENCE SERVICE IN THE LIBRARY OF CONGRESS

Mr. SALTONSTALL. Mr. President, I should like to say a few words at this time about a gentleman to whom this body is much in debt. Ernest S. Griffith, the Director of the Legislative Reference Service of the Library of Congress, will retire from his post this autumn. Mr. Griffith was appointed to this position in 1940 by the then Librarian of Congress, Archibald MacLeish, my law school confrere, to preside over that admirable service, and for 18 years he has developed and fostered it.

His career has been one of a wide variety of interesting and useful ventures in scholarship and teaching, and his contributions to these fields have been significant.

A Rhodes scholar and a doctor of philosophy, he has taught government and related social sciences at Princeton, Harvard, Syracuse, Swarthmore, and the American University Graduate School, of which he was the dean. His written works in these fields have greatly swelled the audience which has profited from

his remarkably sound and imaginative treatment of a wide range of subjects. These have included such divergent themes as the Changing Pattern of Public Policy Formation, the Crisis in Taxation, and Primitive Areas in Great Britain.

It might well be said that his most important educational assignment, however, has been as Director of the Legislative Reference Service where his pupils have been the Members of the Congress of the United States. Under his leadership, this institution has done more and more to solve the legislator's dilemma of how to study a complex issue when time is short.

It is a splendid thing to have a large group of highly trained scholars, able to compile studies of complex questions, who are ready to assist us in our legislative responsibilities. It is a splendid thing, also, to know that each piece of work which we receive from that organization bears the stamp of approval of a man whose talents have been so widely recognized in the world of ideas. And it would be a mistake to allow the speed and efficiency with which the Service carries out its assignments to cause us to forget the tremendous intellectual effort which is necessary to give such results.

These excellent results must in large part be atttributed to the efforts of the Service's director, Ernest Griffith. More broadly, much of what is admirable in the legislative accomplishments of the Congress during the years which he has served as its head, may be credited in part to him.

I think it is important that all of us remember that the achievements of this body are in part the work of those who put the bills before the Congress and plan their enactment. But they are partly also the work of those whose thought and analysis contribute to each Member's thinking. Ernest Griffith has certainly done a great service for the Congress and for the Nation by providing the firm background upon which many of our soundest laws have been drawn.

I may add that in the Appropriations Subcommittee meeting dealing with the legislative appropriation bill, when Mr. Griffith came before us this year we each took the opportunity to say "Thank you," and to wish him well in his new position.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Senator from Massachusetts may be permitted to yield to me for a few remarks regarding Mr. Griffith.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). Without objection, it is so ordered.

Mr. SPARKMAN. I wish to commend the able Senator from Massachusetts for bringing up the subject of the retirement of Dr. Ernest Griffith, of the Legislative Reference Service of the Library of Congress. I approve everything the Senator from Massachusetts said about him.

I remember that many years ago there was only a very small staff engaged in the Legislative Reference work. That Service was not utilized by Members of Congress to any great extent. It was largely because of the initiative and work of Dr. Griffith in showing Members of Congress what a valuable asset that Service could be to both Houses of Congress and to every Member of Congress, that the program was expanded.

I recall that when I was a Member of the House of Representatives a small delegation appeared before the House Appropriations Committee and urged the extension of the Legislative Reference Service, which Dr. Griffith headed. Over the years we have had no more valuable source of information and assistance in obtaining the facts which we need in connection with our legislative work than that part of the Library of Congress under the direction of Dr. Griffith.

I regret to see him reach the retirement age. I am grateful to him for the excellent work he has done, and I join all those who work with him in wishing him a great happiness, continuing good health, and years of success in the retirement he has so well earned.

Mr. SALTONSTALL. Mr. President, I am glad the distinguished Senator from Alabama agrees with what I said, and I heartily thank him for what he has added.

A TRIBUTE TO THE LATE THOMAS GOODE JONES

Mr. SPARKMAN. Mr. President, one of the most distinguished judges in the State of Alabama is Judge Walter Jones, of Montgomery, Ala., a circuit judge. He is the son of a most distinguished father, who at one time was Governor of Alabama. I refer to Hon. Thomas Goode Jones.

On July 18, 1958, Hon. Charles S. Rhyne, president of the American Bar Association, was in Montgomery, Ala., to lay a wreath on the grave of Thomas Goode Jones, of Montgomery, Ala., author of the first Lawyers' Code of Ethics.

It was in 1887 that Hon. Thomas Goode Jones drew up a code of ethics for the lawyers of Alabama. I understand that this code, of which Mr. Jones was the author, was the first lawyers' code of ethics ever adopted. At Seattle, Wash., on August 27, 1908, several years later, the American Bar Association adopted its Canons of Professional Ethics, and the Alabama Lawyers' Code served as the foundation for the American Bar Association's Canons of Professional Ethics.

I ask unanimous consent that the remarks of Hon. Charles S. Rhyne on the occasion of laying a wreath on the grave of Thomas Goode Jones be printed in the RECORD at this point as a part of my remarks.

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

THOMAS GOODE JONES

(Remarks of the Honorable Charles S. Rhyne, president of the American Bar Association, on the occasion, July 18, 1958, of laying a wreath on the grave of Thomas Goode Jones, author of the first lawyers' Code of Ethics, Montgomery)

The pleasure and honor which come to me as the representative of the American Bar Association on this occasion is of a dual nature. Judge Walter Jones, the son of the outstanding American to whom we are about to pay tribute, is a longtime personal friend of mine, and through the years I have found him to be conclusive proof that the blood of true greatness runs deep. For certainly Judge Jones, in keeping with the rich and noble heritage of his illustrious father, has carved for himself a special niche in the State and in the hearts of its people as a devoted public servant, a great jurist, an outstanding attorney, and an unyielding advocate for the cause of justice. His lifetime record of accomplishments and activities is known and respected by lawyers and laymen alike, not only in this area, but throughout the Nation.

The Honorable Thomas Goode Jones needs no commendation from any man, for his name and his brilliant record and achievements are the finest possible tribute to the man himself. Truly he was among the small body of history-making figures who seem to arise in each era of crises, destined to mold the minds of men, to chart the course of history and to provide the rock-like example of leadership that enables men to find a better way of life. Throughout every phase of his existence, these marks of greatness typified the man that was Thomas Goode Jones.

As a soldier in the War Between the States, he entered the service of the Confederacy as a private at the age of 17. Four hard but glory-spanned years later, on April 9, 1855, Gen. Robert E. Lee sent a flag of truce to General Grant; the bearer—21-year-old Maj. Thomas Goode Jones. His greatness had begun to grow.

During the black years of the reconstruction, the leadership of Thomas Goode Jones was a shining beacon, lifting the spirits of his people and ever reminding those around him that theirs was a proud heritage, and that to shirk the duty and responsibility which the new way of life thrust upon them was beneath the men of the South.

He served his people long, well and true. First as city councilman in Montgomery; then in the State legislature as speaker of the house of representatives; then his profession as president of the State Bar Association and author of the Alabama Lawyers' Code of Ethics, the first adopted in the United States; next at the age of 46 as Governor of this great State; then as a member of the Alabama constitutional convention; and finally concluding his dedicated and distinguished record as the Honorable Thomas Goode Jones, judge of the District Court of the United States, Northern and Middle Districts of Alabama. Of this final service an associate on the Federal bench, Judge William I. Grubb, said: "He was one of the ablest lawyers and judges, and one of the purest and most lovable men whom it has been my good fortune to be associated with in any of the relations of life." The noble conception of the office of attorney as set forth by Governor Jones in his draft of the Code of Ethics 71 years ago keeps us ever aware of the responsibility of our profession to preserve liberty under law through integrity of bench and bar.

And, so, on behalf of the American Bar Association, I lay this wreath upon the grave of Thomas Goode Jones—soldier, lawyer, statesman, jurist and author—in every endeavor one of history's noblest figures.

Mr. SPARKMAN. I also ask unanimous consent that there be printed in the RECORD the code of ethics of the Alabama State Bar Association, adopted December 14, 1887, which served as the

bedrock of the American Bar Association's Canons of Professional Ethics.

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

CODE OF ETHICS,[1] ALABAMA STATE BAR ASSOCIATION, DECEMBER 14, 1887

PREAMBLE

The purity and efficiency of judicial administration, which, under our system, is largely Government itself, depend as much upon the character, conduct, and demeanor of attorneys in this great trust, as upon the fidelity and learning of courts or the honesty and intelligence of juries.

HIGH MORAL PRINCIPLE ONLY SAFE GUIDE

"There is, perhaps, no profession after that of the sacred ministry, in which a high-toned morality is more imperatively necessary than that of the law. There is certainly, without any exception, no profession in which so many temptations beset the path to swerve from the lines of strict integrity; in which so many delicate and difficult questions of duty are constantly arising. There are pitfalls and mantraps at every step, and the mere youth, at the very outset of his career needs often the prudence and self-denial, as well as the moral courage, which belongs commonly to riper years. High moral principle is his only safe guide; the only torch to light his way amidst darkness and obstruction."—Sharswood.

A SUMMARY OF THE DUTIES OF ATTORNEYS

A comprehensive summary of the duties specifically enjoined by law upon attorneys, which they are sworn "not to violate," is found in section 791 of the Code of Alabama.

These duties are:

"1. To support the constitution and laws of this State and the United States.

"2. To maintain the respect due to courts of justice and judicial officers.

"3. To employ, for the purpose of maintaining the causes confided to them, such means only as are consistent with truth, and never seek to mislead the judges by any artifice or false statement of the law.

"4. To maintain inviolate the confidence and, at every peril to themselves, to preserve the secrets of their clients.

"5. To abstain from all offensive personalties, and to advance no fact prejudicial to the honor or reputation of a party or witness, unless required by the justice of the cause with which they are charged.

"6. To encourage neither the commencement nor continuance of an action or proceeding from any motive of passion or interest.

"7. Never to reject, for any consideration personal to themselves, the cause of the defenseless and oppressed."

NO SET RULE FOR EVERY CASE

No rule will determine an attorney's duty in the varying phases of every case. What is right and proper must, in the absence of statutory rules and an authoritative code, be ascertained in view of the peculiar facts, in the light of conscience, and the conduct of honorable and distinguished attorneys in similar cases, and by an analogy to the duties enjoined by statute, and the rules of good neighborhood.

[1] The Alabama Code of Ethics was written by Thomas Goode Jones (1844–1914), Montgomery, who served his State as Speaker of the House, Governor of Alabama, Member of Constitutional Convention 1901, and United States District Judge, Middle and Northern Districts of Alabama, 1901–1914.

The following general rules are adopted by the Alabama State Bar Association for the guidance of its members:

DUTY OF ATTORNEYS TO COURTS AND JUDICIAL OFFICERS

1. The respect enjoined by law for courts and judicial officers is exacted for the sake of the office, and not for the individual who administers it. Bad opinion of the incumbent, however well founded, cannot excuse the withholding of the respect due the office, while administering its functions.

CRITICISM OF JUDICIAL CONDUCT

2. The proprieties of the judicial station, in a great measure, disable the judge from defending himself against strictures upon his official conduct. For this reason, and because such criticisms tend to impair public confidence in the administration of justice, attorneys should, as a rule, refrain from published criticism of judicial conduct, especially in reference to causes in which they have been of counsel, otherwise than in courts of review, or when the conduct of a judge is necessarily involved in determining his removal from or continuance in office.

AVOID UNUSUAL HOSPITALITY TO JUDGES

3. Marked attention and unusual hospitality to a judge, when the relations of the parties are such that they would not otherwise be extended, subject both judge and attorneys to misconstruction, and should be sedulously avoided. A self-respecting independence in the discharge of the attorney's duties, which at the same time does not withhold the courtesy and respect due the judge's station, is the only just foundation for cordial personal and official relations between bench and bar. All attempts by means beyond these to gain special personal consideration and favor of a judge are disreputable.

SUPPORT COURTS AND JUDGES IN ALL PROPER WAYS

4. Courts and judicial officers, in their rightful exercise of their functions, should always receive the support and countenance of attorneys against unjust criticism and popular clamor; and it is an attorney's duty to give them his moral support in all proper ways, and particularly by setting a good example in his own person of obedience to law.

CANDOR AND FAIRNESS SHOULD CHARACTERIZE ATTORNEY

5. The utmost candor and fairness should characterize the dealings of attorneys with the courts and with each other. Knowingly citing as authority an overruled case, or treating a repealed statute as in existence; knowingly misquoting the language of a decision or textbook; knowingly misquoting the contents of a paper, the testimony of a witness, or the language or argument of opposite counsel; offering evidence which is known the court must reject as illegal, to get it before the jury, under guise of arguing its admissibility, and all kindred practices, are deceits and evasions unworthy of attorneys.

Purposely concealing or withholding in the opening argument, positions intended finally to be relied on, in order that opposite council may not discuss them, is unprofessional. Courts and juries look with disfavor on such practices, and are quick to suspect the weakness of the cause which has need to resort to them.

In the argument of demurrers, admission of evidence, and other questions of law, counsel should carefully refrain from "side-bar" remarks and sparring discourse, to influence the jury or bystanders. Personal colloquies between counsel tend to delay, and promote unseemly wrangling, and ought to be discouraged.

ATTORNEYS SHOULD BE PUNCTUAL

6. Attorneys owe it to the courts and the public whose business the courts transact, as well as their own clients, to be punctual in attendance on their causes; and whenever an attorney is late he should apologize or explain his absence.

DISPLAY OF TEMPER SHOULD BE AVOIDED

7. One side must always lose the cause; and it is not wise, or respectful to the court, for attorneys to display temper because of an adverse ruling.

DUTY OF ATTORNEYS TO EACH OTHER, TO CLIENTS, AND THE PUBLIC

Uphold honor of profession

8. An attorney should strive, at all times, to uphold the honor, maintain the dignity, and promote the usefulness of the profession; for it is so interwoven with the administration of justice, that whatever redounds to the good of one advances the other; and the attorney thus discharges, not merely an obligation to his brothers, but a high duty to the State and his fellow man.

Prejudice should not be stirred up

9. An attorney should not speak slightingly or disparagingly of his profession, or pander in any way to unjust popular prejudices against it; and he should scrupulously refrain at all times, and in all relations of life, from availing himself of any prejudice or popular misconception against lawyers, in order to carry a point against a brother attorney.

Duties to be performed within limits of law

10. Nothing has been more potential in creating and pandering to popular prejudice against lawyers as a class, and in withholding from the profession the full measure of public esteem and confidence which belong to the proper discharge of its duties, than the false claim, often set up by the unscrupulous in defense of questionable transactions, that it is an attorney's duty to do everything to succeed in his client's cause.

An attorney owes entire devotion to the interest of his client, warm zeal in the maintenance and defense of his cause, and the exertion of the utmost skill and ability, to the end that nothing may be taken or withheld from him, save by the rules of law, legally applied. No sacrifice or peril, even to loss of life itself, can absolve from the fearless discharge of this duty. Nevertheless, it is steadfastly to be borne in mind that the great trust is to be performed within and not without the bounds of the law which creates it. The attorney's office does not destroy the man's accountability to the Creator, or loosen the duty of obedience to law, and the obligation to his neighbor; and it does not permit, much less demand, violation of law, or any manner of fraud or chicanery, for the client's sake.

Fearlessly expose unprofessional conduct

11. Attorneys should fearlessly expose before the proper tribunals corrupt or dishonest conduct in the profession; and there should never be any hesitancy in accepting employment against an attorney who has wronged his client.

Defense and prosecution of criminal cases

12. An attorney appearing or continuing as private counsel in the prosecution for a crime of which he believes the accused innocent, forswears himself. The State's attorney is criminal, if he presses for a conviction, when upon the evidence he believes the prisoner innocent. If the evidence is not plain enough to justify a nol. pros., a public prosecutor should submit the case, with such comments as are pertinent, accompanied by a candid statement of his own doubts.

Present such defenses as law of land permits

13. An attorney cannot reject the defense of a person accused of a criminal offense, because he knows or believes him guilty. It is his duty by all fair and honorable means to present such defenses as the law of the land permits; to the end that no one may be deprived of life or liberty, but by due process of law.

Must not be a party to oppression

14. An attorney must decline in a civil cause to conduct a prosecution, when satisfied that the purpose is merely to harass or injure the opposite party, or to work oppression and wrong.

No private argument to judge

15. It is bad practice for an attorney to communicate or argue privately with the judge as to the merits of his cause.

Newspaper advertising

16. Newspaper advertisements, circulars and business cards, tending professional services to the general public, are proper; but special solicitation of particular individuals to become clients ought to be avoided. Indirect advertisement for business, by furnishing or inspiring editorials or press notices, regarding causes in which the attorney takes part, the manner in which they were conducted, the importance of his positions, the magnitude of the interests involved, and all other like self-laudation, is of evil tendency and wholly unprofessional.

Avoid newspaper discussion of legal matters

17. Newspaper publications by an attorney as to the merits of pending or anticipated litigation, call forth discussion and reply from the opposite party, tend to prevent a fair trial in the courts, and otherwise prejudice the due administration of justice. It requires a strong case to justify such publications; and when proper, it is unprofessional to make them anonymously.

Better for attorney not to be a witness

18. When an attorney is a witness for his client except as to formal matters such as the attestation or custody of an instrument and the like, he should leave the trial of the case to other counsel. Except when essential to the ends of justice, an attorney should scrupulously avoid testifying in court in behalf of his client, as to any matter.

Avoid assertion of belief as to justice of client's case

19. The same reasons which make it improper in general for an attorney to testify for his client apply with greater force to assertions, sometimes made by counsel in argument, of personal belief of the client's innocence or the justice of his cause. If such assertions are habitually made they lose all force and subject the attorney to falsehoods; while the failure to make them in particular cases will often be esteemed a tacit admission of belief of the client's guilt, or the weakness of his cause.

Disreputable to stir up litigation

20. It is indecent to hunt up defects in titles and the like and inform thereof, in order to be employed to bring suit, or to seek out a person supposed to have a cause of action, and endeavor to get a fee to litigate about it. Except where ties of blood, relationship, or trust make it an attorney's duty, it is unprofessional to volunteer advice to bring a lawsuit. Stirring up strife and litigation is forbidden by law, and disreputable in morals.

Confidences between client and attorney

21. Communications and confidence between client and attorney are the property and secrets of the client, and cannot be divulged, except at his instance; even the death of the client does not absolve the attorney from his obligation of secrecy.

Secrets of client not to be divulged

22. The duty not to divulge the secrets of clients extends further than mere silence by the attorney, and forbids accepting retainers or employment afterward from others involving the client's interests in the matters about which the confidence was reposed. When the secrets or confidence of a former client may be availed of or be material, in a subsequent suit, as the basis of any judgment which may injuriously affect his rights, the attorney cannot appear in such case without the consent of his former client.

Attorney not to attack instruments drawn by himself

23. An attorney can never attack an instrument or paper drawn by him for any infirmity apparent on its face, nor for any other cause where confidence has been reposed as to the facts concerning it. Where the attorney acted as a mere conveyancer, and was not consulted as to the facts, and, unknown to him, the transaction amounted to a violation of the criminal laws, he may assail it on that ground, in suits between third persons, or between parties to the instrument and strangers.

Personal services before bodies other than courts

24. An attorney openly, and in his true character, may render purely professional services before committees, regarding proposed legislation, and in advocacy of claims before departments of the Government, upon the same principles of ethics which justify his appearance before the courts; but it is immoral and illegal for an attorney so engaged to conceal his attorneyship, or to employ secret personal solicitations, or to use means other than those addressed to the reason and understanding, to influence action.

Attorney not to represent conflicting interests

25. An attorney can never represent conflicting interests in the same suit or transaction, except by express consent of all so concerned, with full knowledge of the facts. Even then, such a position is embarrassing, and ought to be avoided. An attorney represents conflicting interests, within the meaning of this rule, when it is his duty, in behalf of one of his clients, to contend for that which duty to other clients in the transaction requires him to oppose.

Reputation of a "rough tongue" not desirable

26. "It is not a desirable professional reputation to live and die with—that of a rough tongue, which makes a man to be sought out and retained to gratify the malevolent feeling of a suitor, in hearing the other side well lashed and villified."

Client is not the keeper of the attorney's conscience

27. An attorney is under no obligation to minister to the malevolence or prejudices of a client in the trial or conduct of a cause. The client cannot be made the keeper of the attorney's conscience in professional matters. He cannot demand as of right that his attorney shall abuse the opposite.

Ill-feeling of clients not to be entertained by lawyers

28. Clients, and not their attorneys, are the litigants; and whatever may be the ill-feeling existing between clients, it is unprofessional for attorneys to partake of it in their conduct and demeanor to each other, or to suitors in the case.

Personalities in argument should be avoided

29. In the conduct of litigation and the trial of causes the attorneys should try the merits of the cause, and not try each other. It is not proper to allude to, or comment upon, the personal history, or mental or physical peculiarities or idiosyncrasies of opposite counsel. Personalities should always be avoided, and the utmost courtesy always extended to an honorable opponent.

Attorney controls incidents of trial

30. As to the incidental matters pending the trial, not affecting the merits of the cause, or working substantial prejudice to the rights of the client, such as forcing the opposite attorney to trial when he is under affliction or bereavement; forcing the trial on a particular day to the serious injury of the opposite attorney, when no harm will result from a trial at a different time; the time allowed for signing a bill of exceptions, crossing interrogatories, and the like; the attorney must be allowed to judge. No client has a right to demand that his attorney shall be illiberal in such matters, or that he would do anything therein repugnant to his own sense of honor and propriety; and if such a course is insisted on the attorney should retire from the cause.

Giving preference as to retainer

31. Where an attorney has more than one regular client, the oldest client, in the absence of some agreement, should have the preference of retaining the attorney, as against his other clients in litigation between them.

Assurances of success to client not to be made

32. The miscarriages to which justice is subject, and the uncertainty of predicting results, admonish attorneys to beware of bold and confident assurances to clients, especially where the employment depends upon the assurance, and the case is not plain.

Promptness and punctually

33. Prompt preparation for trial, punctuality in answering letters and keeping engagements, are due from an attorney to his client, and do much to strengthen their confidence and friendship.

Things attorney should disclose to client

34. An attorney is in honor bound to disclose to the client at the time of retainer, all the circumstances of his controversy, which might justly influence the client in the selection of his attorney. He must decline to appear in any cause where his obligation or relations to the opposite parties will hinder or seriously embarrass the full and fearless discharge of all his duties.

Client should have attorney's candid opinion

35. An attorney should endeavor to obtain full knowledge of his client's cause before advising him, and is bound to give him a candid opinion of the merits and probable result of his case. When the controversy will admit of it he ought to seek to adjust it without litigation, if practicable.

Evidence as to agreements with client

36. Where an attorney, during the existence of the relation, has lawfully made an agreement which binds his client, he cannot honorably refuse to give the opposite party evidence of the agreement, because of his subsequent discharge or instructions to that effect by his former client.

Client's money a sacred fund

37. Money or other trust property coming into the possession of the attorney, should be promptly reported, and never commingled with his private property or used by him, except with the client's knowledge and consent.

Attorney not to borrow from client

38. Attorneys should, as far as possible, avoid becoming either borrowers or creditors of their client; and they ought scrupulously to refrain from bargaining about the subject matter of the litigation, so long as the relation of attorney and client continue.

Offer of client to furnish additional counsel

39. Natural solicitude of clients often prompts them to offer assistance of additional counsel. This should not be met, as it sometimes is, as evidence of want of confidence; but after advising frankly with the client, it should be left to his determination.

Better to reduce important agreements to writing

40. Important agreements affecting the rights of clients should, as far as possible, be reduced to writing; but it is dishonorable to avoid performance of an agreement fairly made, because not reduced to writing as required by rules of court.

Known customs of bar to be followed

41. An attorney should not ignore known customs or practice of the bar of a particular court, even when the law permits, without giving opposing counsel timely notice.

Notify client of proposed compromises

42. An attorney should not attempt to compromise with the opposite party, without notifying his client, if practicable.

Rule when counsel differ as to vital matters

43. Where attorneys jointly associate in a cause cannot agree as to any matter vital to the interest of their client, the course to be pursued should be left to his determination. The client's decision should be cheerfully acquiesced in, unless the nature of the difference makes it impracticable for the attorney to cooperate heartily and effectively; in which event, it is his duty to be asked to be discharged.

Duty of attorney coming into a case

44. An attorney coming into a cause in which others are employed, should give notice as soon as practicable and ask for conference, and if the association is objectionable to the attorney already in the cause, the other attorney should decline to take part, unless the first attorney is relieved.

No discussion of merits of cause with opposite party

45. An attorney ought not to engage in discussion or arguments about the merits of the case with the opposite party, without notice to his attorney.

Better to agree on fee in advance

46. Satisfactory relations between attorney and client are best preserved by a frank and explicit understanding at the outset, as to the amount of the attorney's compensation; and, where it is possible, this should always be agreed on in advance.

Suing a client for a fee

47. In general, it is better to yield something to a client's dissatisfaction at the amount of the fee, though the sum be reasonable, than to engage in a lawsuit to justify it, which ought always to be avoided, except as a last resort to prevent imposition or fraud.

Value of attorney's services not to be overestimated

48. Men, as a rule, overestimate rather than undervalue the worth of their services, and attorneys in fixing their fees should avoid charges which unduly magnify the value of their advice and services, as well as those which practically belittle them. A client's ability to pay can never justify a charge for more than the service is worth; though his poverty may require a less charge in many instances, and sometimes none at all.

A regular client may be charged less

49. An attorney may charge a regular client, who entrusts him with all his business, less for a particular service than he would charge a casual client for like services. The element of uncertainty of compensation where a contingent fee is agreed on, justifies higher charges than where compensation is assured.

Matters to be considered in fixing fees

50. In fixing fees the following elements should be considered:

1. The time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to properly conduct the cause.

2. Whether the particular case will debar the attorney's appearance for others in cases likely to arise out of the transaction, and in which there is a reasonable expectation that the attorney would otherwise be employed; and herein of the loss of other business while employed in the particular case, and the antagonism with other clients growing out of the employment.

3. The customary charges of the bar for similar services.

4. The real amount involved and the benefit resulting from the services.

5. Whether the compensation was contingent or assured.

6. Is the client a regular one, retaining the attorney in all his business? No one of these considerations is in itself controlling. They are mere guides in ascertaining what the service was really worth; and in fixing the amount it should never be forgotten that the profession is a branch of the administration of justice and not a mere money-getting trade.

Contingent fees

51. Contingent fees may be contracted for; but they lead to many abuses, and certain compensation is to be preferred.

Services to family of a deceased lawyer

52. Casual and slight services should be rendered without charge by one attorney to another in his personal cause; but when the service goes beyond this an attorney may be charged as other clients. Ordinary advice and services to the family of a deceased attorney should be rendered without charge in most instances; and where the circumstances make it proper to charge, the fees should generally be less than in case of other clients.

Treat witnesses and parties fairly

53. Witnesses and suitors should be treated with fairness and kindness. When essential to the ends of justness to arraign their conduct or testimony, it should be done without vilification or unnecessary harshness. Fierceness of manner and uncivil behavior can add nothing to the truthful dissection of a false witness' testimony, and often rob deserved strictures of proper weight.

Duty of court to attend to comfort of jurors

54. It is the duty of the court and its officers to provide for the comfort of jurors. Displaying special concern for their comfort, and volunteering to ask favors for them, while they are present—such as frequent motions to adjourn trials, or take recess, solely on the ground of the jury's fatigue, or hunger, and uncomfortableness of their seats, or the courtroom, and the like—should be avoided. Such intervention of attorneys, when proper, ought to be had privately with the court; whereby there will be no appearance of fawning upon the jury, nor grounds for ill feeling of the jury toward the court or opposite counsel, if such requests are denied. For like reasons, one attorney should never ask another in the presence of the jury, to consent to its discharge or dispersion; and when such a request is made by the court, the attorneys, without indicating their preference, should ask to be heard after the jury withdraws.

No private conversations with jurors

55. An attorney ought never to converse privately with jurors about the case; and must avoid all unnecessary communication, even as to matters foreign to the cause, both before and during the trial. Any other course, no matter how blameless the attorney's motives, gives color to the imputing evil designs, and often leads to scandal in the administration of justice.

Duty when appointed by court to defend prisoner

56. An attorney assigned as counsel for an indigent prisoner ought not to ask to be excused for any light cause, and should always be a friend to the defenseless and oppressed.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. SPARKMAN. I am glad to yield.

Mr. JAVITS. I did not know the Senator was to speak on this subject this morning.

A lecture which I once delivered at the Harvard Law School contained a reference, as the foundation for the American ethical approach to the practice, to this very fine pioneer work of which my colleague speaks.

Mr. SPARKMAN. I appreciate the Senator's remarks very much. I shall call them to the attention of our distinguished jurist, Judge Walter Jones.

Mr. President——

The VICE PRESIDENT. The Senator from Alabama.

LATEST DEVELOPMENTS IN THE HOUSING FIELD

Mr. SPARKMAN. Mr. President, I should like to call attention to one of the latest developments in the housing field which I find very gratifying in view of the part the Congress played in them.

Senators will recall that last spring the Congress passed an emergency housing bill.

Almost 4 months have passed, and it is indeed encouraging to see the results of this legislation.

The volume of applications for FHA and VA mortgages is one of the highest in recent years. A large part of this spurt in housing applications can be attributed to the financial support given by the Federal National Mortgage Association acting under the Congressional authorization.

As Senators may recall, the emergency housing bill provided $1 billion to the FNMA for the purchase of Government-supported mortgages on low-cost homes valued up to $13,500.

As has been stated many times, the purpose of setting that limit was to encourage the construction of lower-cost homes which the great mass market could afford to buy.

An article from the New York Times, dated today, points out that the administration has released a total of $750 million to the FNMA for this special antirecession housing program. In the 16 weeks since the President signed this measure, the FNMA has made commitments of $537 million for 45,092 mortgages. This undoubtedly has been a tremendous boon to the housing industry and to the construction industry generally. In this article I point out this very significant point, which I think is one of the real factors in the bettering economic conditions noted throughout the country.

The article refers to the release by the administration yesterday of $150 million,

which brings the total amount up to $750 million.

The release coincided with a report by the F. W. Dodge Corp. in New York that construction contracts in June were the highest ever recorded for a single month, with housing playing a leading role.

That is a most significant statement. I take pride, because of my sponsorship of the legislation, in pointing out that housing is truly leading us to economic recovery in this country.

I ask unanimous consent that the article be printed in the RECORD at this point.

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

ONE HUNDRED AND FIFTY MILLION MORE RELEASED BY UNITED STATES TO SPUR HOUSING—MORTGAGE AGENCY NOW HAS $750 MILLION—BUILDING CONTRACTS AT PEAK

WASHINGTON, July 29.—The Administration released $150 million more today to bring the total for the special antirecession housing program to $750 million.

The release coincided with a report by the F. W. Dodge Corp., in New York that construction contracts in June were the highest ever recorded for a single month, with housing playing a leading role.

The construction statistical concern reported that contracts awarded for all kinds of construction, private and Government, were $3,800,000,000, up 12 percent from the record established in May.

The contract figure is regarded as an important indicator of economic activity to come, and the June total signals strength for the economy later this year.

The $150 million released by the administration today was for the special mortgage-buying program of the Federal National Mortgage Association. The program covers mortgages of up to $13,500 on housing.

CONGRESS VOTED BILLION

Congress provided $1 billion for the program, of which $600 million had previously been released. This has been enough to enable the agency to make commitments to purchase 45,092 mortgages with a value of $537 million through the end of last week.

However, the FNMA—known as "Fanny May" in financial circles—has purchased only 16 mortgages, worth $186,000. It may not have to purchase many of the mortgages for which commitments have been made. Thus, depending on conditions in the mortgage market by the time the new houses are actually occupied, the program may not involve a large outlay of Government funds.

This is because builders get a Fanny May commitment just to be certain. A private lender may be found by the time the buyer purchases the house.

However, it seems likely that "Fanny May" will ultimately have to take over the bulk of the GI mortgages, guaranteed by the Veterans Administration. In the last month these have made up the big majority of the new commitments.

GI mortgages attract less private investment money than others, because their interest rates are lower.

In another report today, the Department of Labor said mid-July reports by employers on their hiring plans suggest that the recent more favorable trend in employment is likely to be maintained into early fall.

The report covered conditions in the Nation's 149 major labor markets. It found that conditions had generally stabilized between mid-May and mid-July, though three more major cities moved into the classification of substantial labor surplus—6 percent or more unemployed.

The three were Los Angeles, Milwaukee and Birmingham. Several other areas moved into a classification showing higher unemployment, but the total number of changes was only 10 against 40 in May and 56 in March.

By mid-July, 89 areas were in the various categories of substantial unemployment.

SENATOR MARTIN OF PENNSYLVANIA

Mr. HRUSKA. Mr. President, last week some of our colleagues paid tribute to the senior Senator from Pennsylvania [Mr. MARTIN] on his prospective retirement from the Senate after 60 years of public life.

Because of official duties which kept me away from the Senate floor on that occasion, I was not able to join with my colleagues in these well-deserved compliments. However, I should like now to subscribe to the very fine tributes which were paid Senator MARTIN, and to acknowledge the many courtesies which he has extended to me from time to time during my service with him in the Senate and particularly on the Committee on Public Works, where I have served with him during the past 3½ years. He has always been courteous, always helpful, always conscientious in the performance of his duties, and also as a friend.

There has come to my attention an article published in the Pittsburgh Post-Gazette of July 5, 1958, entitled "60 Years of Service to Public Is Ending for Senator MARTIN," which I ask unanimous consent to have printed in the RECORD.

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

SIXTY YEARS OF SERVICE TO PUBLIC IS ENDING FOR SENATOR MARTIN—PENNSYLVANIAN HAS BEEN A SOLDIER, LAWYER, AND GOVERNOR—SO NOW HE WILL RETIRE TO WASHINGTON, PA., FOR QUIET, HE HOPES

(By Ingrid Jewell)

WASHINGTON, July 4.—When Congress adjourns, Senator EDWARD MARTIN, Republican of Pennsylvania, will retire from a public career, military and civil, that stretches back 60 years.

He and Mrs. Martin will return permanently to their home in Washington, Pa., she with enthusiasm, he with satisfaction.

He has served in every military grade from private to major general and has won the Distinguished Service Cross with Oak Leaf Cluster. He has been auditor general, treasurer, adjutant general, and Governor of Pennsylvania. He has been State Republican chairman, and chairman of the Governors' Conference.

CREEPING UP ON 79

Now almost 79, he is becoming Private Citizen ED MARTIN.

If he has a regret, it is a small one: That he never succeeded to the chairmanship of the Senate Finance Committee on which he has been ranking Republican for 2 years. The darn Democrats frustrated him by retaining control of the Senate.

If he has fear for the future, it is not personal but national; he fears inflation.

"Inflation," he says, "is a more serious threat than depression. And it is a damn sight more dangerous than Russian bombs."

This old soldier says Congress is spending far too much on defense.

He is concerned, too, by the emphasis on subsidizing the teaching of science to the exclusion of the humanities. A democracy is based on the humanities.

And he deplores the election year tendency of Congress to expand Government handouts without providing the tax sources to pay for them.

Pay as you go has been his lifelong philosophy. He tells young newlyweds, "avoid installment buying."

WOULD CUT DEBT

The outstanding accomplishment of his 4 years as governor, he believes, was reduction of the public debt to $44 million and reduction of the tax rate.

He also takes satisfaction from the initiation in his administration of the pure stream law; of the law requiring school children to take physical examinations; and of a survey of mental and penal institutions which has led subsequently to many reforms.

A little sadly, he has arrived at the conclusion you can't legislate morality.

He has emerged, at 78, a cautious optimist. The caution matches his age. The optimism matches his erect grooming, his considerate courtesy which is as warming as it is rare.

When he was Republican State chairman, he promoted legislation establishing the State's corporation and banking codes which gave a sound foundation for their operation and encouraged corporations to locate in Pennsylvania.

CLOSE ARMY TIES

He has worked to develop a closer relationship between the Regular Army, the organized Reserve and the National Guard because our country must depend for its defense on the citizens themselves.

The Senator can recall only one job he ever held that carried no responsibility. That was when he was a private in the 10th Pennsylvania Volunteer Infantry. He enlisted in Waynesburg where he was attending college, in 1898, and was sent immediately to the Philippines.

"On July 31, I was under fire and on August 1, I was made a corporal. Then the trouble started. Before I was a corporal I had no responsibility and I had a big time."

Of all the jobs he has held since, that of United States Senator has been the toughest and most interesting.

"This," he points out, "is the center of the world. The rest of the world depends on what we do. That's why I am so careful about spending money."

He thinks taxes are so high they discourage initiative.

"Young men tell me they don't mind going in partnership with Uncle Sam, but they don't want to be the minority partner." He refers to the 52 percent corporation income tax.

GOES BACK TO COLLEGE

When he was mustered out of service in San Francisco in 1899, he returned to Waynesburg College and took his degree in 1901. He read law with an attorney and was admitted to the bar in 1905.

He saw combat in France in World War I. Aside from military and public service jobs, his career has been spent in the oil and gas business.

His plan has been to take over properties abandoned by large companies as no longer profitable, to build them up through secondary recovery methods, and make them pay again.

His voting record in the Senate has been conservative but even his opponents admit he votes his convictions. Just the other day he voted against admitting Alaska as a State.

His reason is characteristic: Alaska is not contiguous to other territory of the United States and its admission as a State will set a precedent for farflung territorial acquisition. Rome, Great Britain and now France have demonstrated that is a dangerous precedent, he feels.

THE THEODORE ROOSEVELT CENTENNIAL

Mr. HRUSKA. Mr. President, in connection with the observation of the Theodore Roosevelt Centennial this year, it was the suggestion and declaration of President Eisenhower that the July 4th celebrations be devoted to a rededication to responsibilities of citizenship insofar as that could be done.

At the invitation of Dr. Milo Bail, president of the University of Omaha, it was my privilege to address a convocation at the university on July 3. I ask unanimous consent that the text of my remarks be printed in the CONGRESSIONAL RECORD at this point.

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

NINETEEN HUNDRED AND FIFTY-EIGHT REDEDICATED TO RESPONSIBILITIES OF CITIZENSHIP

(Speech by Senator ROMAN L. HRUSKA at the University of Omaha convocation, July 3, 1958)

Regrettably, the patriotic program is looked upon as passé more and more in recent years. This applies in full force to the Fourth of July celebration. We read about those events of yesteryear with a subdued interest, but usually with some tolerance and a little amusement. Perhaps they are confused too often with chauvinism.

At the risk of the same confusion and of being considered a little stuffy and far too provincial for worldwide minds with limitless space for their jurisdiction—the Nation was called upon to regard tomorrow as an occasion for national rededication to the obligations of citizenship. President Eisenhower commended the idea highly because he feels that such an event might help to restore the original purpose of our great national holiday as a day of heroic memory and challenge.

The idea itself was advanced by the Theodore Roosevelt Centennial Commission. The objectives were stated like this:

"Let us make the Fourth of July 1958, a day of rekindled fires; of jubilation, gratitude, and new resolves; of deepening appreciation of what America means and what it has to give to mankind; a day of prayer and of putting first things first; a day of renunciation of trivial, personal aims, and of acceptance of the citizen's duty to build up the strength of the Nation by building up, within himself, those qualities that Theodore Roosevelt summed up as character—courage, honesty, decency, resolution, the willingness to work effectively for the public good."

The colorful story and record of the 26th President of the United States is a splendid medium by which to achieve the objectives set forth.

He himself was much aware of the importance of citizenship; on one occasion he stated:

"The fate of the 20th century will in no small degree depend upon the type of citizenship developed on this continent."

This was clear to him a half century ago. How much more clear it should be to us in a day when we are spending about two-thirds of our tax dollar in a mighty battle for survival; in a day when the challenge for us in the United States is to live America's answer to the question dividing the world:

"Does man have the capacity under God to govern himself and to use the liberty that is his to build a civilization that shall endure?"

The declared independence of the Thirteen Original Colonies 182 years ago firmly dedicated us to the proposition that men could live together and prosper, free from the oppressive dictates and uncontrolled authority of an autocrat of whatever form or fashion.

Today our belief that man has that capacity is being challenged by an ideology and an enemy which would have all mankind be subservient to the selfish few who would rule barbarously, ruthlessly, and amorally.

We are truly in a struggle for survival. The fate of the entire Free World, including our own Nation, is at stake. Our success and achievements in this struggle so far have resulted from the determination and untiring and unselfish efforts of men like Theodore Roosevelt, so resolutely dedicated and active in their time to the rightness and high place of free citizenship. There are many such, fortunately; in the millions. We can hardly say that they and Roosevelt are typical of each other. But we can say that Theodore Roosevelt is a symbol for their dedication and their patriotism. Hence, we choose his well-known life and attainments for the occasion at hand.

His character had a hard core which revealed itself at a very early age. Physically weak and asthmatic in his childhood, and incapable of sustained exertion in study or play, he determined and undertook a rigorous and rugged plan of physical discipline and development. He aspired to achieve endurance, strength, and vigor. He practiced calisthenics, rode, swam, boxed, hiked. He achieved his goal of a robust physique, and the means whereby he was able to pursue his many activities seemingly untiringly.

By the age of 50, he had been President for 8 years, and had achieved an international eminence in politics, public administration, economics, soldiering, literature, athletics, and downright active, lusty living.

There were no halfway measures for him. He became the Nation's leader in title as well as in fact and act.

He may not have been consistent, right, or temperate at all times. Goodness knows he was as controversial as any President has been made.

But the thing that makes him of especial note to us on the occasion of rededicating ourselves to the obligations of citizenship, is this: He based and pursued his goals and actions on principle, high purpose, idealism, and character as he saw them in their application to the problem at hand.

It will be my purpose to demonstrate this in fields of activity in which he accomplished much good that is still with us in large measure today.

BIG BUSINESS

T. R. became President in a fast-growing and spectacular period in our country's life. The role of the big corporation which made its first appearance in the post-Civil War era, had reached a gigantic, farflung, profitable, and ruthless stage. Vast territorial expansion to the West brought with it the development of natural resources, the building of railroads, new and large industries, new markets, new techniques in every field, a rapid population growth, and a heavy immigration.

Each of these things brought many benefits. Each also gave birth to many problems, some of which were very vexatious and long-lived.

In no other country were such enormous personal fortunes gained, nor such inordinate power held by the men who gained them. In this power lay a source of serious trouble because many who possessed it did not know how to use it properly, many abused it, and only a few put it to high purpose.

* * * * *

One of the legacies of Jefferson's time was the demand for the largest liberty for the individual.

By the time T. R. came along a century later, this need was reversed: The riot of individualistic materialism under which there was complete freedom for the individual, turned out in practice to mean perfect freedom for the strong to wrong the weak—to charge what the traffic would bear; to rebate rates; to fix prices; to defraud in weights, measures, and purity of commodities and merchandise; to refuse to accept responsibilities for safety equipment or for industrial accidents; and to be dishonest and without integrity in many lines of endeavor and in various forms.

Corporations and big business were not responsible for all of these ills, but were guilty of many.

When T. R. came into this picture, the question had not been settled as to whether the Federal Government had power to control the actions of these large business combinations and powers. In fact, the question as far as it was spoken upon, had been resolved against the Federal Government in Cleveland's administration in the Knight Sugar Trust case.

Reversal of that case did not come about till the 5–to–4 decision in the Northern Securities case in 1905. It held in effect that the United States Government did have the power to deal with industrial monopoly, suppress it, and control and regulate combinations.

That case was followed by the American Tobacco and Standard Oil cases, which firmly and definitely established bases for the rule and power.

The power having been gained, necessity arose for the proper method and fashion of exercising it—a search started 50 years ago, but not completed even today. No doubt it is the dynamic nature of business enterprise generally which will defy successful, final search. Hardly is a particular phase adequately dealt with, when new forms, new approaches appear and hence new remedies are required.

The "trust-busting" decisions ordered and resulted in dissolution of big-business combinations. T. R. knew that this result was negative at best. It was harmful in that it struck at all big business—good and bad. As it developed, it proved later to be inefficient to check the bad—yet was a constant threat against decent businessmen.

Hence, the President embarked on the task of discovering and making effective a system of regulation and control which would discriminate sharply and selectively between those doing well and those doing ill.

In short, what bothered him was not large size of business per se. It was, rather, the violation of the rules of decency, right and wrong, of honesty and integrity, and of concern and regard for the rights of others by business, whether large or small.

It is in this realization and in his adherence to it in his followup that we can note the application of principle, high purpose, idealism, and character, to which I have already referred.

The fact of his realization and his determination to act accordingly are well proven in his own observations, written years later (Theodore Roosevelt: An Autobiography, Charles Scribner's Sons, New York, 1926, p. 424):

"When a company is found seeking its profits through serving the community by stimulating production, lowering prices, or improving service, while scrupulously respecting the rights of others (including its rivals, its employees, its customers, and the general public) and strictly obeying the law, then, no matter how large its capital or how great the volume of its business, it would be encouraged to still more abundant production or better service by the fullest protection that the Government could afford it.

"On the other hand, if a corporation were found seeking profit through injury or oppression of the community, by restricting production through trick or device, by plot or conspiracy against competitors, or by oppression of wageworkers, and then extort-

ing high prices for the commodity it had made artificially scarce, it would be prevented from organizing, if its nefarious purpose could be discovered in time, or pursued and suppressed by all the power of Government whenever found in actual operation.

"Such a commission, with the power I advocate, would put a stop to abuses of big corporations and small corporations alike; it would draw the line on conduct and not on size; it would destroy monopoly and make the biggest businessman in the country conform squarely to the principles laid down by the American people, while, at the same time, giving fair play to the little man and certainty of knowledge as to what was wrong and what was right, both to the big man and little man."

* * * * *

The list of legislative measures he sponsored and supported to this end is long. Many form the basic part of our present national policy in their respective fields.

T. R.'S VIEWS ON LABOR ORGANIZATIONS

It is notable that T. R.'s convictions and course of action as to business were based upon principles which he repeatedly declared and followed. It is not less true and clear that he applied the same standards and requirements in the field of labor and the labor movement.

In 1907, he spoke to this subject in a letter he wrote in regard to the trial of Moyer and Haywood for the murder of Governor Steunenberg, of Idaho. In an earlier letter, he had referred to the accused as undesirable citizens. Exception was taken to this designation by a certain labor leader. His reply to the objector read in part (Autobiography, pp. 481–482):

"You say you ask for a 'square deal' for Messrs. Moyer and Haywood. So do I. When I say 'square deal,' I mean a square deal to everyone; it is equally a violation of the policy of the square deal for a capitalist to protest against denunciation of a capitalist who is guilty of wrongdoing and for a labor leader to protest against the denunciation of a labor leader who has been guilty of wrongdoing. I stand for equal justice to both; and so far as my power lies I shall uphold justice, whether the man accused of guilt has behind him the wealthiest corporations, the greatest aggregations of riches in the country, or whether he has behind him the most influential labor organizations in the country."

In 1911, these were his words on the subject of labor unions:

"Labor organizations are like other organizations, like organizations of capitalists; sometimes they act very well, and sometimes they act very badly. We should consistently favor them when they act well, and as fearlessly oppose them when they act badly. I wish to see labor organizations powerful; and the minute that any organization becomes powerful, it becomes powerful for evil as well as for good; and when organized labor becomes sufficiently powerful, the state will have to regulate the use of labor just as it must regulate the collective use of capital. Therefore, the very success of the effort we are making to increase the power of labor means that among labor leaders and among other citizens, there must be increased vigilance and courage in rebuking unhesitatingly anything that labor does that is wrong." (New York Times magazine, October 27, 1957.)

Then in 1917, not too long before he passed away, he said:

"Business and labor are different sides of the same problem. It is impossible wisely to treat either without reference to the interest and duties of the other—and without reference to the fact that the interests of the general public, the Commonwealth, are paramount to both."

* * * * *

Again, we see T. R. appraising and judging on the basis of principle, of right and wrong, and on fairness.

In the light of today's events, what a boon it would be to secure these truths and the necessity of their application, in the consciousness and persuasions of all Americans: The idea that when transgressions of a few are proven in any type of organization, it is not in order to engage in punitive, oppressive, or harsh actions for all organizations of that type. The thing to do is to enact and promulgate a stern, though fair, rule, and impartially enforce it against all who violate its terms. As to others, who abide by the rules of decency, fairness, and integrity, they should be encouraged in their continuance of their true roles and missions. This applies to labor organizations and business organizations equally.

Although I have referred in some detail to only two fields—big business and big labor—Theodore Roosevelt's analysis, approach, and action in other areas were motivated and based upon similar bases. I only wish that we had time to review his tremendous contributions to forest conservation, to reclamation, natural resources generally, to international relations, law enforcement, and to a host of other subjects in which he acted in interest. Lack of time forbids, because I should like to bring Roosevelt to date, if such a thing is possible. More accurately, I should like to discuss that topic.

WHAT WOULD TEDDY DO IF HE WERE HERE?

Only recently, when the distressing news about the ugly happenings in Venezuela toward NIXON came to our Senate Chamber, not once, but many times the comment was made: "If only Teddy were here, he would really show the world how this should be handled." Other occasions have resulted in the same declarations.

We are kidding ourselves, in a big way, when we take unto ourselves the responsibility of applying any individual's thinking and philosophy to situations so far removed from his day and age. T. R. passed away 40 years ago. Many earth-shaking things have happened since then, in a world where speed and spectacular inventions and ideas have taken over so ruthlessly.

Roosevelt's name and record is often cited as authority for a particular approach to the activities of the day. Let us see how reasonable such citation really is, by being specific. He is often referred to as authority and advocate for a strong, centralized, National Government, and against the rights of States. How about it? The plain fact is that he often spoke to this subject. One special reason was his experience in the so-called trust-busting cases. There he had found that State laws and jurisdiction had been interposed in the interest of perpetuating the stranglehold which the big business combines had obtained. Small reason then for him to vigorously assail such techniques.

The same was true in other fields as well: In the field of labor, in dealing with conservation, forest and reclamation problems, in law enforcement, and generally in administration of public affairs. With the assertion and employment of States laws, decisions, and jurisdiction as obstacles, there was only one thing to do for Theodore Roosevelt in order that he achieve his goal. That was to blast away at the things which stood in his path. This he did.

As a result, he is cited as an authority and advocate of a strong, centralized Federal Government. In reality, he was seeking the achievement of a program which would conform to his ideas and principles of decency, integrity, fairness, and consideration for one's fellow man.

A serious question would arise as to how he would view a strong centralized Government today. If he were here to review the problem, he would find that the pendulum has swung to the other extreme. No longer are the States the powerful, influential sources of authority and action. In fact, they have become relatively nominal in that regard. One way to measure this is that only up until relatively recent years about 25 percent of the money expended in the United States for all government was spent by the National Government and 75 percent by State and local governments. Today that proportion is exactly reversed. The percentage of local governmental expenditures may be even smaller than the 25 percent which was one time the share of the Federal Government.

On every hand, we find Federal agencies and activities seeking to usurp and take over the duties and jurisdiction of local and State governments which are admittedly doing well, in tasks specifically and traditionally assigned to them by our national policy. Nevertheless, the Federal bureau and agency reaches out, attempting to override, to take over responsibilities, and by sheer strength, bulk, and by mimeograph law to repeal and nullify the efforts of citizens everywhere to retain as close as possible a contact with their own people, the source and the administration of government. This greed and lust for power is widespread and very active; in fact, virulent.

Only last Monday the United States Supreme Court denied and flatly rejected the contention of the Federal Trade Commission that this body was empowered to reach out into a domain specifically assigned to the States by the Congress; a domain in which the States since the beginning of our Republic had administered, and had administered well and effectively. It had to do with the regulation and supervision of sales and promotion of insurance business. Notwithstanding the plain and simple language which was used by Congressional enactment, the Commission proceeded upon the basis for a long time that it was the determiner of destiny for the insurance industry in this particular. The decision of the Supreme Court was per curiam. It was simple; it was short. It constituted a rebuke, a well-deserved rebuke for overreaching on the part of an administrative and regulative body which should have known better.

In the face of this lack of restraint by Federal sources everywhere, including the Congress itself on occasion, one wonders whether Theodore Roosevelt would have stood still for such encroachment and abuse on one of the most salutary factors in our self-governing Nation, to wit: as much activity and jurisdiction as possible upon local and State government.

It was the excesses which the philosophy of Thomas Jefferson had attained by Roosevelt's time, that accounted for the necessity of counteracting the riot of individualistic materialism which was the order of the day. No longer was there the demand for the largest possible liberty of the individual, which Jefferson championed. The pendulum had to go back. Theodore Roosevelt pushed it back.

Now we have the pendulum having reached the opposite extreme. There is every likelihood that if Theodore Roosevelt were here and again active in government and in public affairs, that he again would be found on the side of principle, decency, fairness, and respect for the rights of the individual. It was these things which he placed high on the list, and not any doctrinaire position one way or another as to method of government.

Again, Theodore Roosevelt is often cited as one who advocated a strong goal in international affairs. In his day he was. Witness the fashion in which he was instrumental in determination of the Russo-Japanese War. Witness also his fashion of dealing with the revolution in Colombia and the Panama Canal, which was born as a result thereof. His many speeches on international affairs as the entry of America into World War I

approached were likewise revealing along this same line.

In this arena, however, vast changes have occurred. There are those in America who are advocating and working for dilution and even abdication of American national sovereignty to a degree which would deprive us of our independence, freedom, and liberty. Would Roosevelt go along with such an extreme position? Do not his record and his life rather show that above all things he prized the most, the strength and the independence and the liberty of the American Republic and its citizens were highest on the list? It is quite certain that he would not be found in the company of those who would make of our country a subservient member of a one-world government.

Many other examples could be cited, but the general idea should be clear. Specific actions in Theodore Roosevelt's time of 50 and more years ago would no longer necessarily follow today, because so many circumstances and elements have changed so radically.

One would rather think of Theodore Roosevelt as one who would have fought fearlessly and vigorously side by side with Thomas Jefferson, had both of them lived and been active when the latter was President of the United States. Had Theodore Roosevelt lived in the time of Patrick Henry we can hear him declaiming those immortal words of the Virginia patriot as fervently and as enthusiastically as Patrick Henry himself had done.

The point is that Theodore Roosevelt was one who analyzed, approached, and championed causes on principle. We should not do less than this when we ourselves are called to make a selection or a choice, or a decision, as the case may be.

It is because he acted this way and because of the fearlessness and courage which he displayed throughout his career that he provided such an excellent vehicle for this day which we celebrate as a day of rededication to the responsibilities of citizenship.

By way of summary, I should like to again quote the objectives for the day thus designated as stated by the Theodore Roosevelt Centennial Commission itself, and as I have already quoted them. They are as follows:

"Let us make the Fourth of July, 1958, a day of rekindled fires; of jubilation, gratitude and new resolves; of deepening appreciation of what America means and what it has to give to mankind; a day of prayer and of putting first things first; a day of renunciation of trivial, personal aims, and of acceptance of the citizen's duty to build up the strength of the Nation by building up, within himself, those qualities that Theodore Roosevelt summed up as character—courage, honesty, decency, resolution, the willingness to work effectively for the public good."

Let it be in that spirit that we behold and observe tomorrow—the 182d anniversary of the Declaration of Independence.

CURRENT REPORT ON FARM INCOME

Mr. HRUSKA. Mr. President, the Department of Agriculture a few days ago released its "Farm Income Situation" report for July, as prepared by its Agricultural Marketing Service.

It contains general news and specific items of great importance and encouragement to all interested in farms and farmers.

More farm products were sold: This is shown by the increase of cash receipts from farm marketings. They were 11 percent higher for the first half of 1958 than they were in the first half of 1957. The volume of marketings increased 3 percent.

Prices were better: They averaged 8 percent higher for the periods mentioned.

Production costs percentagewise were lower. Although they increased 4 percent, this was more than offset by the substantial increase in gross income. The direction of the cost-price squeeze has been reversed.

Result: Substantial increase in net income. In the 1958 months it was at an annual rate of $13.3 billion. This is 22 percent higher than the first 6 months of 1957. It is this net income which counts.

All these and other figures and facts contained in the July report are good news. This news is a big help and is very gratefully received by States which were so hard hit by drought only 2 short years ago.

NEBRASKA AND HER NEIGHBORS

The entire national farm picture has markedly improved. But Nebraska and her adjoining sister States have been especially favored.

I have a table showing the cash receipts for Nebraska, South Dakota, Colorado, Iowa, and Kansas for the months of January through May of 1957 and 1958. I ask unanimous consent that the table be printed in the RECORD at this point in my remarks.

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

[Dollars in millions]

	1957	1958	Increase	Percent
Nebraska	$339	$479	$140	41
South Dakota	177	237	60	34
Colorado	153	190	37	24
Iowa	905	1,060	155	17
Kansas	212	326	114	54

Mr. HRUSKA. Mr. President, this means that in Nebraska with its 41 percent increase of cash receipts over last year, farmers actually received $140 million more for the products they sold. On the basis of the State population of 1,400,000, it means an increase of $100 each for every man, woman, and child in Nebraska in the first 5 months of this year as compared with the same months in 1957.

Of course, all of us know the immediate and direct influence which this has on business activity of every kind throughout the State.

In recent weeks there has been some discussion regarding United States exports of wheat. This talk is very much in order because of Nebraska's position as a wheat growing State.

It is gratifying, therefore, to note that United States exports of wheat and wheat flour have almost doubled within the past 4 calendar years.

I ask unanimous consent that there be printed in the RECORD at this point a table showing the exports of wheat and wheat flour during the past 4 calendar years, as furnished by the Department of Agriculture.

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

Calendar year	Amount (million bushels)	Value (millions)
1954	233.2	$426.6
1955	272.5	484.2
1956	438.6	807.9
1957	448.8	885.9

Mr. HRUSKA. Mr. President, this is not to say that there is not a wheat problem. We know that there is, because of the huge surplus inventory now on hand and the bumper crop now in the process of being harvested. We know it also from the strong protests and dissatisfaction among wheat growers as to the manner in which the present law works.

These facts were recognized and they were discussed during the debate on the farm bill passed by the Senate last week.

By general agreement the bill did not deal with wheat as a crop. This may be unfortunate, but it was the consensus that it was the realistic thing to do as of this time.

It is my hope that this subject will be thoroughly canvassed and considered at an early date by committees, as well as by Congress, in an effort to alleviate the pressing situation which now prevails and new pressures which threaten.

SUMMARY

Mr. President, a summary of various items as gleaned from the most recent Department of Agriculture statistics and reports has been prepared. I ask unanimous consent that it be printed in the CONGRESSIONAL RECORD at this point in my remarks.

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

FARM FACTS

1. Realized net income of farm operators in the first half of 1958 was at an annual rate of approximately $13.3 billion—22 percent higher than in the first half of 1957. The increase from a year earlier was the greatest since the end of World War II when price controls were eliminated. Gross farm income in this period was the highest on record.

2. Income per person on farms from all sources was $967 in 1957, the second highest on record, 8 percent higher than in 1956 and the highest since 1951 during the Korean war. And this average may well set a new record in 1958.

3. Although the cost-price squeeze still exists as a basic problem, spiraling inflation has been almost halted. During the period from 1940 to 1952, the index of prices paid by farmers, including interest, taxes and wage rates, increased more than 100 percent. From January 1953 to June 1958, this index rose only 7 percent.

4. Farm assets are at an all-time high—$188 billion as of January 1, 1958.

5. Farmers have less than $11 in debts for each $100 of assets. In 1940, the ratio was $19 for each $100.

6. Owner equities rose 7 percent during 1957 to a peak of $168.4 billion.

7. Farm ownership is also at a record high. Two out of every three farms are free of mortgage debt.

8. The postwar downtrend in prices which started in 1951 has been stopped. Prices received by farmers in the first half of 1958

were 8 percent above a year ago and 10 percent above 2 years ago.

9. The family farm continues to dominate agriculture. Ninety-six percent of our farms and ranches are family operations, about the same percentage as 30 years ago.

10. Farm exports in fiscal 1957 set a new record of $4.7 billion—68 percent higher than in fiscal 1953 and remained high in fiscal 1958.

11. The surplus production of American farms is being made available for hungry people at home and abroad.

12. The build-up of surpluses has been reversed. Government investment in surplus farm products owned and under loan has dropped about one-eighth in the past year and a half.

13. The inventory value of livestock on farms for January 1, 1958, was $14.2 billion—higher by $3 billion than a year ago.

14. The level of living on farms is the highest in history, based on the percentage of farms with electricity, telephones, automobiles, and the purchasing power of the average value of farm products sold or traded.

THE KENNEDY-IVES LABOR BILL

Mr. GOLDWATER. Mr. President, recently a colleague inserted in the RECORD several editorials from newspapers in various parts of the country in support of the Kennedy-Ives labor bill which finally, after 41 days, left the desk of the Speaker of the House of Representatives and was referred, as it should have been 40 days previously, to the Committee on Labor of the House.

I have a few editorials which I should like to place in the RECORD, to show that not all the editorials and not all the newspapers agree that the Kennedy-Ives bill is what its authors thought it might be. For instance, an editorial from the Rockford Morning Star is entitled "Labor Bill Is Phony." I ask unanimous consent that the editorial be printed in the RECORD.

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

LABOR BILL IS PHONY

The Kennedy-Ives "labor reform" bill passed by the Senate 88 to 1 last month, has been termed a fraud, a phony, and a "sweetheart" bill by those who have taken the trouble to study its provisions.

Its drafting was pretty much dominated by union politicians and lobbies. When Republican Senators like KNOWLAND, MUNDT, and GOLDWATER tried to insert into the Senate bill provisions that would have struck at root evils being turned up by the MCCLELLAN rackets committee, they were shoved aside. Several provisions of the Taft-Hartley Act were actually weakened. And by clever juggling of provisions intended to hit at union racketeering, the bill actually provided legal means of further harassing employers and threatening them with prison when they carried out decent and forward-looking programs of employee relations.

During the writing of this Senate bill, a labor lobbyist, former Congressman Biemiller, actually established himself in the Senate Labor Committee's room and gave advice on the altering of authentic reform amendments offered on the floor of the Senate. The bill has been termed in some circles a "union organizational assistance bill."

This bill is now before the House, where it is proposed to ramrod it through with amendments barred. House Democratic leaders are gambling that election-bent Representatives will be glad to get a labor bill behind them without having to antagonize labor politicians. Because the bill is labeled a labor-reform bill, Congressmen can face voters angered by the revelations of labor hoodlumism with this phony bill and say, "We made good." The Democratic leadership is also gambling on the effect of that 88-to-1 vote for the bill in the Senate. But can Republicans forget that the Senate voted the Kennedy-Ives bill on assurance by the Democrats to Senator KNOWLAND that his demands for real reform statute would be encompassed in another labor bill to be put through at this session? Having got the Kennedy-Ives bill through the Senate, there was prompt default on that promise.

If Republican Congressmen think they can make any hay with the voters by support of the Kennedy-Ives bill, they are badly mistaken. An effort has been made to give the bill the appearance of an administration measure. But it is glaringly clear that the bill has been evolved by the Democratic majority in Congress to derail an honest effort to come to grips with the racketeering and hoodlumism brought to light by the rackets committee.

The Kennedy-Ives bill, as it is presented to the House, should be defeated, and alert Republicans can defeat it. It is a tricky bill, a hurtful bill. Far better to let this session be in complete default on a labor-reform bill than to accept the phony reforms put into the Kennedy-Ives bill. A fresh start can be made at the next session; and the McClellan hearings as well as the Hoffa threat of setting up a transport-union empire indicate that the country needs something more than a piece of sweetheart legislation whose writing was coached by the labor lobbies and politicians.

The rackets committee had voiced belief that three steps should be taken: put union funds into the class of legal trusts and fiduciaries; permit States to act against racket or recognition picketing in cases where the National Labor Relations Board failed to assert jurisdiction; insure secret ballots by union members of vital union decisions. The provisions were skidded out of the bill by skillful labor manipulations.

The Taft-Hartley Act was meanwhile weakened in several particulars, aimed largely at harassment of employers. The least of these was the compulsion put on employers to sign an anti-Communist oath. The bill changed the Taft-Hartley definition of supervisors to expand the number of workers who could be unionized; it concentrated even more authority in the NLRB; it shortened to 7 days from 30 the required time in which a construction worker must join a union; and it granted to former workers the right to vote in a representation election—a voter, in short, need not be an employee.

But the major blow at management was the requirement that money spent in fostering and improving employee relations in an industry has to be reported to the United States Labor Department if the sum is over $5,000. Failure may be penalized by a $10,000 fine and a year in jail. The bill mouths a phrase about "activities intended to influence or affect employees in the exercise of their right" to organize and bargain. But the wording is intentionally so vague that any employer trying to establish good industrial relations—even installing a pension system—and communicating with workers would have to file details with the Secretary of Labor or go to jail.

Under another section, the same penalty would apply to the employer if it was determined that his pension system, bonuses, hospital benefits, recreation program were designed to influence workers in their right to organize.

The racket hearings have strongly indicated that the country needs a labor-reform bill. But what was produced under lobbyist influence in the Senate and is now offered on a this-or-nothing basis to the House is at the opposite pole of what the country demanded. At this late hour in the session, there is but one possible course—to vote it down.

Let's have a fair, honest piece of legislation, or none at all.

Mr. GOLDWATER. I ask unanimous consent that there be printed in the RECORD at this point an editorial from the Dallas Morning News entitled "Kennedy-Ives Is Wrong." Dallas is a large manufacturing city, interested in labor.

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

KENNEDY-IVES IS WRONG

Why should an organized union exist in business and industry?

There is a right and ready answer in the beginning of the union movement. The movement is needed wherever there are improper working conditions, exploitation of the worker with overwork and underpay. Rightly protected for this purpose by present laws, unions have no difficulty organizing where employers have permitted or created such a fertile field for them.

Where conditions are entirely satisfactory, there is no need for unions, though of course their formation is rightly permissible. But suppose a union desires to organize such an industry or business. The management, with due consideration for current and its own economic position, gives a wage increase or provides such new benefits as a pension plan, group insurance, etc. Well, under the pending Kennedy-Ives bill in Congress, the union could charge that the employer did this to influence his workers against organization. The management would have to file a full report with the Secretary of Labor showing exactly the financing of what is strictly its own business. Failure to file could get the boss a $10,000 fine and a year in jail.

That's one reason why the Kennedy-Ives bill is wrong. That is why it should not be approved by Congress without corrective revision. Senator WAYNE MORSE'S concern to get a labor reform bill passed is right, but not if this is what is to be palmed off as a reform. Certainly there should be adequate legislation to stop all racketeering. This will not do it.

Mr. GOLDWATER. I ask unanimous consent that there be printed in the RECORD at this point an editorial entitled "Sleepers in Reform Bill Aimed Against Employers," published in the Ohio State Journal of July 23, 1958. The Ohio State Journal is published at Columbus, an industrial city.

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

TRAVESTY IN THE MAKING—SLEEPERS IN REFORM BILL AIMED AGAINST EMPLOYERS

As a result of the startling disclosures of the McClellan committee of the Senate with respect to the racketeering of labor union bosses and other types of corruption within the unions, the American people had a right to expect some forthright and conclusive action by Congress to control union activities.

Demands for new laws covering the subject came from the Eisenhower administration, the AFL–CIO, business organizations and the general public.

The progress of remedial legislation has been slow. The suspicion has been that the Members of the House, particularly the Democratic leaders, are not keen for any

type of legislation in this election year that might be branded as being antiunion.

There now appears to be an even graver danger—that Congress might enact a law which would greatly aggravate, rather than remedy, labor-management relations, on the pretense of tightening controls on self-seeking union bosses.

The Senate more than a month ago, with only one dissenting vote, passed the Kennedy-Ives bill having the stated purpose of protecting union members against racketeering practices of some union leaders and to make various changes in the Taft-Hartley Act. The House has not yet acted on the bill—in fact, it has remained on Speaker RAYBURN'S desk without being sent to the Labor Committee.

Now it develops that the Kennedy-Ives bill is full of sleepers which actually would tighten the stranglehold of union bosses on the union membership and on employers.

Some features of the bill would be an improvement in the operation of the unions, such as its requirements for disclosing union finances and certain guaranties of democratic rights of union members. But in other respects, the Kennedy-Ives bill would give union leaders several amendments they have been seeking ever since the Taft-Hartley law was enacted 11 years ago. This probably accounts for the fact that several top labor bosses have been urging passage of the bill.

Some employer organizations now are convinced the Kennedy-Ives bill would impose more restrictions on employers than on union bosses. They believe the bill, if enacted into law, would make it a crime for an employer to try in almost any way to influence the decision of his employees during a union organization campaign, particularly if he spent any money to do so.

Lawyers examining the bill, as passed by the Senate say it carries such extreme provisions as these:

An employer could be fined up to $10,000 and given a 1-year jail sentence for making a speech to his employees (on company time) in order to present his views during an organization campaign, such as the disadvantages he sees in his employees joining a union.

Likewise, an employer might be found guilty of a crime if he loaned an employee money or gave a wage increase (even a normal merit increase) or any other benefits during or before a union organization drive.

The definition of supervisors would be narrowed so as to allow many foremen and supervisors to be brought under union shop clauses and union contracts.

Strikers now barred from voting in a bargaining poll, if their jobs have been filled by new workers during a strike over wage issues, would be allowed to vote.

In other words, the Kennedy-Ives bill would give union bosses a tremendous advantage in organizing employees by tying employers' hands and eliminating their right to tell their story to their employees. The bill would accomplish this by making it a crime for an employer to directly or indirectly influence an employee's actions, thus actually depriving the employee of his right to a bona fide free choice on union organization matters.

At the same time, the union organizer would be left to influence employees in almost any way he chooses.

It would be a grim joke on the American people if, under the guise of legislation to correct the startling labor union evils disclosed by the McClellan committee, Congress were to enact a law giving the union bosses a stronger hand and abridging the right of employers to the point where they are reduced to helplessness and made criminals if they attempt to present their viewpoints.

Yet, there is actually a chance that the Democratic leadership in the House, by withholding the Kennedy-Ives bill from the House Labor Committee and forcing it to a vote in the House under a rule preventing any alterations in the bill as approved by the Senate, will attempt to foist such a tyrannical law on the general public, union members and employers.

Enactment of such a law would be a travesty on the Bill of Rights. If the Kennedy-Ives bill is to be passed by the House, it should be amended so as to provide justice to employers at the same time that it protects the rights of the individual employee from racketeering, power-hungry union bosses.

Mr. GOLDWATER. I also ask to have printed in the RECORD an editorial from the Chicago Daily News, which is certainly published in a large industrial city, entitled "Hearings Needed on Labor Bill."

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

HEARINGS NEEDED ON LABOR BILL

Two big employer associations in Illinois are recommending the defeat of the Kennedy-Ives labor-reform bill if it is not amended in the House to meet their objections.

Speaker RAYBURN has been holding the bill that passed the Senate, and has not even referred it to the Labor Committee for hearings.

It ought to be referred and the objections should be considered before the bill goes to the floor.

There are two principal objections. One is to the provision that employers must report any amount above $5,000 spent for activities to influence or affect employees in their collective-bargaining rights.

This language, in the opinion of the objectors, is dangerously broad. Joe Meek, president of the Illinois Retail Merchants Association, fears that a wage raise, any fringe benefits, even a "coffee break" period, might be construed as an expenditure intended to influence employees against a union or its demands. If so, the failure to report such things would be a criminal violation.

These fears may be fanciful, but they could easily be quieted by a clear definition of the expenditures required to be reported.

Another objection is the absence of time limit in the provision that striking employees are entitled to vote in a bargaining election. The exclusion of strikers from a bargaining election could be an abuse on the part of management under some circumstances.

But the employer opponents of the bill object that, even where a strike was lost years ago, persons claiming still to be on strike might be permitted to vote. They cite the Kohler Co. strike in Wisconsin as an instance in which this might happen.

It should be easy for the House Labor Committee to write in a reasonable time limit if it had the opportunity.

The opportunity should be provided.

Mr. GOLDWATER. Mr. President, two of the most interesting editorials I have read on this subject were published in the Detroit Free Press. Detroit is a city which certainly can be considered an industrial city. Its newspaper publishers and editors certainly are keenly aware of labor-management relations.

On July 3, 1958, the Detroit Free Press published an editorial entitled "Misguided Timidity Over the Labor Bill," an editorial which substantially backed the Kennedy-Ives bill.

But after studying the bill, the editors saw the light, and on July 21, 1958, they published an editorial entitled "More Deliberate Haste Is Asked." In that editorial they recognized the shortcomings of the proposed legislation which now, after 41 days of collecting dust on the desk of the Speaker of the House of Representatives, finally reposes where it should have gone in the first place.

Mr. President, I ask unanimous consent that the two editorials published by the Detroit Free Press be printed at this point in my remarks, and that the editorial of July 3, 1958, appear first.

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

[From the Detroit Free Press of July 3, 1958]

AS WE SEE IT—MISGUIDED TIMIDITY OVER THE LABOR BILL

The next few days may determine whether the Kennedy-Ives labor bill is going to be passed and whether safeguards are going to be erected by which some of the flagrant abuses against union members will be ended.

The Kennedy-Ives bill passed the Senate with only one negative vote. It is now up to the House where there is concern on the part of some Members that favorable action will have unfavorable results in the November election.

Basically, the bill provides that unions shall be run honestly and democratically; with the requirement for periodic elections by secret ballot, and with further requirement for accounting of union funds. The intent is to protect legitimate unions from exploitation by such unscrupulous leaders as Dave Beck.

The bill generally as the support of labor statesmen like George Meany, AFL–CIO president, who asks only for some constructive amendments.

If the House fails to act because of political timidity, the Members may only be damaging themselves. There is reported a generally strong grassroots sentiment in favor of the legislation throughout the country. The House should catch up to it.

[From the Detroit Free Press of July 21, 1958]

THE LABOR BILL—MORE DELIBERATE HASTE IS ASKED

Alarms have been raised that the Kennedy-Ives bill directed toward protection of workers from labor-management abuses was whisked through the Senate without due opportunity for those whom it would regulate to know its full contents or present their views on sections now under fire.

The fear is that the House, anxious to meet demands from home that something be done to eliminate conditions brought to light by the McClellan committee, will also railroad the measure.

It is, as we have said before, necessary that those whom the bill endeavors to protect receive such a protection as quickly as possible.

At the same time, it would, if enacted, have so many ramifications of its application that by all means there should be hearings at which those directly interested could raise objections and air views.

For instance, in an effort to ease the bill past those on labor's side who have traditionally regarded any regulation of union activities as distasteful, sections relating to management were inserted which some employers now contend go beyond all reasonableness.

These relate to spending by management for purposes of "directly or indirectly influencing any of the employees in the exercise of the right to organize and bargain collectively * * *."

Critics of such passages in the bill contend that they could be construed as forbidding employers to give raises for merit, to raise wages in an unorganized establishment to match those paid in a comparable

one with a union, or even to counsel employees against unionizing unless they were docked for the time spent listening.

Whether the wording actually embraces such circumstances would ultimately have to be up to a court, we suppose. It is one of those places where interpretation of legislative intent figures.

But when a bill is so much in need of interpretation it is ambiguously drawn—and ambiguous laws are an expensive, often unfair, abomination.

The complaint is that, in its haste, the Senate voted the bill in its final form after making amendments on which adequate public hearings were not held, and that the House may now be equally remiss.

We are as impatient as the next one to see a measure having the generally understood intent of the Kennedy-Ives bill become law. But we don't think anyone should be so impatient as to want it hurried through with imperfections and inequities—and, above all, without opportunity for those who will be primarily affected by it to be fully heard.

There is argument, of course, that if the House stops to hold public hearings on more than the barest token scale the bill can't be voted upon in this session.

In such a consequential matter, it seems to us that the House Labor Committee should exert itself to hold proper hearings so promptly and so diligently (by which we mean going into overtime on some days if need be) that all of three highly desirables be made possible.

The three are ample public hearings for those who see flaws in the bill, removal of any flaws demonstrated to be there, and passage of the bill as a booby-trap-free enactment before Congress goes home to cultivate votes.

AMERICA MUST REMAIN AWAKE

Mr. WILEY. Mr. President, the remarks I am about to make were provoked by a statement made to me the other day when a citizen asked me, "Senator, why don't you try to instruct the President and Secretary Dulles?" While others may think it is their function to do that, it is not mine. While others may seek to instruct the President and Secretary Dulles as to actions which should be taken in the United Nations or at a summit meeting—and I may say that the President and Secretary Dulles do not need such instructions—I wish to say a few words to the people of this great Nation.

We have heard much lately about certain drugs which cause people to become sleepy. I say to the people that we must make certain that the honeyed words, or any other words, uttered by Khrushchev and his stooge Nasser do not have the effect of lulling us to sleep. History is filled with instances of such statements.

I remember when the former Prime Minister of Great Britain, Neville Chamberlain, returned from Munich and said there was to be peace in our time.

Some of the newspapers in Europe are saying now that we in America are not supporting the Government; that we are a divided people. Are we? I should say "no." But we must make certain that those two experts, Khrushchev and Nasser, do not administer sleeping drugs to us, the people of America, to put us in a position where we will fall asleep to the challenges which exist to our very security.

Right now, high Soviet military representatives are in Egypt. Why? We know that their plan which succeeded in Iraq has failed in Lebanon and Jordan. However, that failure has not caused the planners to desist from carrying out their objectives. The plan was to oust western influence from the whole Middle East by exploiting Arab nationalism. That is to be a further step toward Moscow's domination of the world.

One slogan which we should always carry in our minds is: "Awake, America. Remain awake." Do not let the falsifications, the misrepresentations, the slander, and the other techniques of the Kremlin and its stooges lull us into a position of complacency.

The weapons which are being used against us—and there are similar instances throughout history—are but a repetition of the weapons which Hitler used. The weapons which are being used today are a part of the arsenal of the Kremlin.

Yes, we hear honeyed words today. Someone asked me only the other day, "Wasn't it wonderful to hear over the radio what was said by Khrushchev? It was so sweet. He said he thought we could sit down together and iron out our differences." A grayhaired man said that to me as I was riding downtown in an automobile.

I said to him, "Do you know that his stooge, Nasser, with 11 radio stations in Cairo, is sending out vicious, poisonous, yes, murderous suggestions in languages that reach everyone who can understand in that area?"

The man looked at me and said, "Yes, but Khrushchev did not talk that way." This was a sleeping pill.

Mr. President, we may hear honeyed words and see an olive branch. But the English people saw and heard the same things when Chamberlain returned from Munich. We may hear such words again and again, but we must not forget that they are the same kind of words as were used by Lenin and Stalin. They will be used again and again so long as simple minds and gullible people will take the hook.

Let us ever remember that this is a part of the economic, political, strategic planning of those who have taken Czechoslovakia, Bulgaria, Rumania, Eastern Germany, and the Baltic States, and who now dominate one-fifth of the area of the world.

Shall we fall asleep? Remember, Mr. President, you and I owe to our constituents a tremendous responsibility to see to it that their concern with the economic upturn and other domestic subjects does not blind them to the facts of life on the world stage.

Can we forget that one of the tools of the Kremlin has been murder? The tens of millions of dead in Russia, China, Hungary, and all the other enslaved states cry aloud to us to be alert, to be awake, to be adequate, and not swallow the sleeping pills.

Mr. President, in remaining alert and adequate, is anything required except to be awake to the Kremlin's tactics and to be on our toes militarily? Yes, indeed, Mr. President; a great deal more is required. We must never forget the submerged and enslaved peoples of Hungary, Rumania, Czechoslovakia, Bulgaria, and the Baltic States, and how they became enslaved. We must seek to have the world understand the truth about our objectives; and we must seek to meet head-on the false propaganda of the Soviet Union and Nasser, which in itself presents a tremendous challenge to the effectiveness and efficiency of all Americans, because all over the world there has been spread the lying propaganda that America wants to do just what the Kremlin has done—namely, take over and enslave.

We must also seek by every legitimate means to open the minds of the Soviet leaders to the folly of their objectives of imperialism and world domination, which are but hangovers from the past. We must realize the imperative need to have the western nations build ever stronger links to bind each other together.

Mr. President, if the people of the western nations fall asleep, their attitude will be reflected unconsciously in the attitude of their leadership. The one great hope of the people of the Free World is that all the peoples of the West shall remain strong, and that they shall not permit divisive influences to affect them and conquer them. Mr. President, both the leaders of the countries of the Western World and the peoples of those countries must see to it that that does not occur, because it is so easy to let our wishful thinking, instead of our insight and vision, determine our course.

We must not permit ourselves to be diverted from the main issue, which is to see to it that a third world war does not occur. Just this morning, I heard a very famous columnist talk about how the Kremlin, with its stooges, is even influencing some of our friends into the belief that our knees are weak, that we do not understand the main issue, that we are divided; and he said that the newspapers in those countries publish such scum. Mr. President, what is the effect? The newspaper readers in those countries digest those statements, and assume that they are the truth. We must know how to apply the doctrine that the truth will make men free.

So we must not permit ourselves to be diverted from the main issue, which, as I have stated, is to see to it that a third world war does not occur. We know that if we of the West were to show signs of weakness or began to disintegrate—and we should give sober consideration to the implications of that word for the Kremlin wants the western countries to disintegrate—and if the Kremlin began to think that its influences were having that effect, the Kremlin might feel that "Der Tag" had arrived, that the time to "let the balloon go up" had come. On the other hand, if we unite, the Soviets will not take that chance.

Again I return to the importance of having a thorough understanding of the meaning of the word "unity"—a word whose meaning is not to be slightly passed over, but is to be soberly considered and pondered, and then acted on, so there will be a spirit of unity in the West.

If the ideas of Khrushchev and Nasser were to pan out—and in fact, they have already partly panned out—Jordan, Lebanon, and Israel would no longer be free states. But when those countries stood firm, there was time for Britain and ourselves to move in. If those countries had fallen, it does not take a prophet to see what would have happened to all the other oil-rich countries of the Middle East; and then our friend, Turkey, would have been standing alone, with the Russian bear ready to tell her what to do.

Mr. President, I return to the slogan which should be ours: Awake, America! Awake, and remain awake, to the challenges which continue to exist, and to which the Kremlin would seek to blind us.

THE CASE OF FRANK COSTELLO

Mr. WILLIAMS. Mr. President, last Friday there appeared over one of the Nation's wire services the following notice:

> Justice Douglas today continued New York's gambler Frank Costello on $25,000 bail pending a second Supreme Court action on his income tax evasion appeal.
>
> The High Court denied Costello a hearing last June 30 but he has asked for reconsideration. The Court seldom grants review of a case once it has been turned down, but it will not formally pass on Costello's new petition until fall.

I respect the rights of any individual charged with a crime to have an opportunity in court to defend his case, but I am disgusted with the kidglove manner in which the courts have handled this racketeer.

Frank Costello has had his day in court. For years he has flagrantly violated the laws of our country, and he has consistently refused to pay taxes as others are compelled to do.

For 6 years he failed to file any tax returns at all. For 20 years he was carried as a tax delinquent on the books of our Government, and no prosecution was attempted, nor was he forced to pay his obligations. Yet during this same period the record shows that, in addition to owning substantial property, he had a very large income.

Not only did the Government fail to prosecute this racketeer for his tax evasion, but for most of this period he was even excused from annual audit.

Finally, on June 20, 1952, his case was exposed on the floor of the Senate, and a demand made that his tax returns be audited.

A complete record of the financial activities of this racketeer and the manner in which he flagrantly violated our Federal income tax laws appears in the CONGRESSIONAL RECORD, volume 98, part 6, pages 7667–7670.

Finally, as a result of this exposure and demand, Frank Costello was audited. He was indicted by a Federal Grand Jury. He was tried and convicted in our courts and sentenced to the Federal penitentiary.

He appealed his case, and the court of appeals, after reviewing his arguments, rejected his appeal and sustained the decision of the lower court.

He then appealed his case to the Supreme Court of the United States. This Court reviewed his case, and on June 30, 1958, rejected his appeal and ordered the lower court sentence to be carried out.

Notwithstanding this record, last Friday Justice Douglas, of the Supreme Court, granted this racketeer another stay in sentence and again agreed to review his case.

If this were an ordinary citizen with a similar record of refusal to abide by our laws or to pay taxes he would have been in the Federal penitentiary years ago, and I think that it is long past the time when the courts of our country stop pussyfooting around with this racketeer and remember that the 170 million law-abiding Americans have some rights as well as do these gangsters.

THE THREAT OF ZIONISM—V

Mr. FLANDERS. Mr. President, this one of the series of talks on the Middle East situation will be very brief. Its text is to be found in yesterday's news of the nearly successful endeavor to assassinate the Premier of Lebanon, Sami es-Solh, who was strongly pro-Western. Since the Western World refuses to recognize the paramount concern of the Arab world with the problems posed by Israel, any pro-Western statesman is a target for assassination. It was Nuri es-Said, Iraqi premier, and his King, King Faisal, the day before yesterday and Premier es-Solh yesterday. Who will it be today or tomorrow? This situation will continue so long as the Western nations appear as the champions of Zionism. Any foreign policy which subjects our friends to assassination needs revision. Why do we not revise?

I call attention at this time to the fifth and sixth "whereases" in my resolution, Senate Concurrent Resolution 106, of July 18. These read as follows:

> Whereas the expansion of the population of Israel threatens an added seizure of Arab territory; and
>
> Whereas the overpopulation of Israel is largely financed by tax-free contributions from American citizens.

The Government of Israel will deny that it threatens added seizure of Arab territory. It is, however, established at present on seized lands. In Arab eyes that government, therefore, has no moral compunction about seizing territory. It has a record of seizure. What can be expected for the future except added seizure?

The critical element in the situation is the present and proposed population of Israel as compared with the territory and resources which it occupies. I have been told by Zionists that the aim is to pack 3 million inhabitants into territory of 7,984 square miles, which is smaller than my own State of Vermont. Were the land rich and well-watered like our Mississippi Valley States, it would still be quite a proposition to pack them in and provide food for them. The Jews have done marvels in Palestine in the way of getting the most of agricultural product out of an unpromising terrain; but even with the best they can do with a population of 3 million that country will be bursting at its seams. When to this is added the natural increase in population, generation after generation, Israel becomes a loaded time bomb.

A direct responsibility lies at our own door for the development of this dangerous situation. When the immigration policies of Israel were directed toward making a home for refugees, it was proper to have those activities supported by tax-free American contributions. The present policies are not refugee policies. They are the policies inherent in the Zionist program—an ingathering of the Jews from all over the earth. Whether they are oppressed or not, whether they are needy or not, matters not so long as they are Jews—bring them into the new Zion no matter what injustices are perpetrated on the former owners of the land. Not 1 penny of tax-free American money should go into this project. In fairness to American taxpayers, the Treasury must reexamine the tax-free status of contributions to the United Jewish Appeal.

I am aware, Mr. President, that the opinions and conclusions which I am expressing will be classed by the Zionists as rabidly anti-Semitic. That is far from being the case. I am not anti-Semitic. The Jews of this country owe me a debt of gratitude for my humble part in stemming a wave of fascism which was gathering momentum a few years ago. I am not anti-Semitic.

Mr. President, I am pro-Semitic; but if they successfully persist in their present plans for an ingathering of the Jews of the world into an area too small to contain them; if they continue to ignore the injustices to the Arab landowners which are involved in their actions and policies so far; and if for the future they apply superheat to the pot already boiling in the Middle East, such a wave of anti-Semitism as the Jewish race has never faced will sweep, not only this country, but the world.

As a personal friend of hundreds of Jews; as an admirer and lover of the Jewish race, fully appreciative of its surpassing contributions to civilization in commerce, in philosophy, in literature, and in the arts, I beg of the Jewish people that they do not destroy themselves.

EX-SECRETARY McKAY OFFERS POWER CRUMBS FOR OREGON

Mr. NEUBERGER. Mr. President, when the International Joint Commission, United States section, was headed by Gov. Len Jordan, I questioned upon several occasions the wisdom of having our negotiations with Canada placed under the responsibility of a man who had for years adamantly opposed any Federal development of the Columbia's power resources. I questioned whether such an important position should be treated merely as part of the President's political patronage by being kept independent of Senate approval of the appointment. When Mr. Jordan resigned it was the hope of many people of the Northwest that the new appointee would be more favorably disposed toward the Federal power system whose future was to such a large extent in his hands. When former Secretary of Interior McKay was appointed to fill the

position, the dismay felt by many of these interested people was echoed in Congress, but some of us thought that Mr. McKay should be given a fair chance to demonstrate his ideas and position.

I was greatly disappointed to read two recent articles in the major Portland newspapers. One of them was the account of a press interview Secretary McKay gave during his recent visit to the city, in which he expressed strong opposition to the Columbia River Corporation bill on the grounds that it would constitute the start of an "authority" on the Columbia River and that he was opposed to such "Federal domination." I doubt if it would affect Mr. McKay's judgment to any great extent, but I think it should be pointed out that the witnesses most familiar with both the Tennessee Valley Authority and Columbia regional corporation legislation testified in the subcommittee hearings that the proposed corporation fell far short of being an "authority" on the TVA model. On the basis of this expert testimony and of my own study of the bill, I can only say that I am sorry to see Mr. McKay joining those who have tried to create frenzied opposition to this legislation by pinning the "authority" label on it.

In his interview Mr. McKay was quoted as saying there have been no new Federal starts in the Columbia Basin since 1953, either overlooking or denying the existence of such major projects as Ice Harbor, Cougar, Hills Creek, and the mighty John Day Dam. Whether such misstatements are intentional or based on an ignorance of the facts is immaterial, but assuredly they must raise again the serious question of whether the chairmanship of the International Joint Commission should not be made subject to Senate confirmation, so that the appointee's views may be examined and considered by the public's elected representatives prior to his confirmation. Mr. McKay has again expressed preference for Columbia Basin development by agencies other than the Federal Government. Yet, the International Joint Commission of which he is chairman is obligated to formulate the position of the Federal Government in connection with development of boundary waters. I doubt that an objective approach toward development of water resources by the Federal Government is possible when the chairman of the IJC has such bias, expressed publicly on numerous occasions, against Federal participation. Certainly such expressions do nothing to improve our negotiating position with the Government of Canada, which has taken a strong position in favor of federal action on the Canadian side of the border.

I ask unanimous consent to include in the RECORD with my remarks an informative editorial from the Oregonian of Friday, July 18, 1958, entitled "Power Crumbs for Oregon," so that the Senate may know some of the editorial reaction to Mr. McKay's inappropriate remarks.

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

POWER CRUMBS FOR OREGON

Douglas McKay's statement that he would rather see Washington public utility districts build big dams on the Columbia than the Federal Government build them leaves some unanswered questions.

The dams the public utility districts are building, or plan to build—Priest Rapids, Wanapum, Rocky Reach, Wells, and Ben Franklin, all in the State of Washington—are for power. They will provide almost no flood control. But the basin needs about 20 million acre-feet more of usable flood-control storage, as well as more power.

The partnership Mr. McKay applauds is not one between the public utility districts, for power, and the Federal Government, for flood control and navigation—the original partnership plan of the Eisenhower administration. This partnership is between the public utility districts, the builders, and private and publicly owned utilities, the buyers of electricity. The public utility districts are enabled to sell revenue bonds because they have contracted with utilities, including those in Oregon, to buy most of the power.

But projects which combine big storage for flood control and downstream power benefits with large blocks of at-site power are not attractive to public utility districts, or to private utilities, for that matter. Mr. McKay, who is chairman of the United States section of the International Joint Commission, has not yet broken the deadlock with Canada to assure flood control storage on the Columbia headwaters.

The logical builder of the needed flood control-power projects in the upper basin—Idaho and Montana—is the Federal Government directly, or a Federal agency such as the proposed Regional Power Corporation. Such a corporation, which would market its revenue bonds at a lower interest rate than the public utility districts, would be in an advantageous position. It would pay the power costs and Congress would appropriate funds, as is traditional, for flood control and navigation costs.

An added inducement for Oregon to support a Regional Power Corporation, which Mr. McKay opposes, is that in such legislation lies the opportunity to replace the power preference clause with a fair and equitable distribution clause, or something similar. The long-range need is to assure Oregon consumers a fair share of future Federal power production, not now assured by the preference clause.

Mr. McKay perhaps was misunderstood or had a lapse of memory when he was quoted as saying there haven't been any Federal power dams started in the Northwest under the Eisenhower administration. Democrats in Congress have inserted appropriations in the Eisenhower budgets for several new starts, including John Day, Ice Harbor, Hills Creek, and Cougar, and planning has been authorized for others.

But still there has been neglect of the projects which are most needed—the big storage dams in the upper basin which would reduce the danger of disastrous floods and provide more water for winter power generation when it is needed most. There has also been neglect of the regional necessity for a more equitable distribution of Federal power; the regional system has become a State of Washington system. Mr. McKay would have Oregon depend upon the generosity or fiscal needs of Washington public utility districts, which have prior claim on both the Federal dams and their own.

CONSTRUCTION AT MILITARY INSTALLATIONS

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). Is there further morning business? If not, morning business is closed, and the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 13015) to authorize certain construction at military installations, and for other purposes.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. PASTORE in the chair). Without objection, it is so ordered.

TRANSPORTATION ACT OF 1958—CONFERENCE REPORT

Mr. MAGNUSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3778) to amend the Interstate Commerce Act, as amended, so as to strengthen and improve the national transportation system, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of July 30, 1958, pp. 15645–15647, CONGRESSIONAL RECORD.)

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

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

Mr. MAGNUSON. Mr. President, I wish to take a half minute to point out for the RECORD the long and arduous work which was involved in consideration of the Transportation Act of 1958. This is probably one of the major bills to be passed by the present Congress. Certainly, with respect to the transportation field, it is one of the most important bills during the many, many years Congress has taken cognizance of such matters.

The Subcommittee on Surface Transportation of the Committee on Interstate and Foreign Commerce, as has been pointed out before, when the bill was under consideration, held long hearings and heard many, many scores of witnesses on every phase of our national transportation problem.

The conference itself was almost a Herculean task, in the working out of language which would permit the Senate to get together with the House. The House conferees were very cooperative. I think the conference has produced about as good a bill as possible at this time, considering the area of controversy involved in this field.

As chairman of the Committee on Interstate and Foreign Commerce, I again commend the distinguished Senator from Florida [Mr. SMATHERS] and the members of the subcommittee, many of whom are on the floor, for what I think is one of the best jobs in the transportation field done in a long, long time.

Mr. SMATHERS rose.

Mr. MAGNUSON. I yield to the Senator from Florida.

Mr. SMATHERS. Mr. President, I am grateful to the chairman of the committee for the kind words he has spoken. We have stated previously that this was no one-man effort and represented a great deal of work on the part of Members on both sides of the aisle who are members of the subcommittee.

I am particularly pleased to tell my colleagues in the Senate that the bill as agreed to by the conferees is a considerably improved version over that passed by the Senate and that passed by the House. In this respect, it represents the strongest features of both bills. In fact, it has perfected the measures passed previously by both Houses.

It is truly a constructive piece of legislation. Not only does it charter the way to further strengthen and improve our national transportation system—so vital to our national defense and economic well-being—but it also provides a means to promote a healthy overall economic atmosphere. Without doubt, it is legislation in the public interest. At this point I should like to ask unanimous consent to have printed in the RECORD a detailed explanation of the manner in which the House conferees and the Senate conferees got together, and the results of their deliberations.

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

EXPLANATION OF S. 3778, THE TRANSPORTATION ACT OF 1958, AS APPROVED BY THE CONFEREES

The bill as finally approved by the conferees covers the following points:

1. Guaranteed loans (a new pt. V, Interstate Commerce Act): Under this part the Interstate Commerce Commission would be authorized to guarantee loans made to railroads from private sources to the amount of $500 million. The loans must be repaid in 15 years and may be made for the purchase of capital equipment and for maintenance. If a loan is obtained for maintenance purposes, it would be unlawful for a railroad securing a guaranty of the loan to declare dividends on its capital stock during the period the loan is outstanding or while any interest on the loan remains unpaid.

Before a loan could be guaranteed, the Interstate Commerce Commission must: (a) find that without such guaranty the carrier would be unable to secure the necessary funds on reasonable terms; (b) be of the judgment that the loan involved is being made at a reasonable rate of interest; and (c) find that the United States is afforded reasonable protection in its guaranty of the loan.

ICC authority to guarantee loans would expire March 31, 1961 (except for applications pending).

These provisions of the bill are a compromise. The Senate bill would have authorized guaranty of loans for capital expenditures, for all operating expenses (which include maintenance), for working capital, and for interest on existing obligations. The House amendment provided for guaranty of loans for capital expenditures and for loans of not more than 50 percent of the maintenance charges of the carrier for the calendar year preceding the application. As agreed upon in conference, the bill provides for guaranty of loans for capital expenditures and maintenance, with the House limitation of 50 percent eliminated.

As to aggregate principal amount of loans to be guaranteed: the Senate bill provided for $700 million, of which not more than $150 million could be loans for operating expenses and interest on existing obligations. The House amendment contained no limitation.

The conferees, after careful consideration, agreed upon $500 million as the aggregate principal amount of loans to be guaranteed by ICC.

2. Amending ICC authority over intrastate rates (sec. 4): This section of the bill deals with the authority of the ICC to remove discriminations against interstate commerce primarily by making adjustments in intrastate rates of railroads subject to ICC jurisdiction.

Paragraph (4) of section 13 of the Interstate Commerce Act now empowers ICC to require removal of "any undue or unreasonable advantage, preference, or prejudice as between persons or localities in intrastate commerce, on the one hand, and interstate or foreign commerce, on the other hand, or any undue, unreasonable, or unjust discrimination against interstate or foreign commerce" caused by any intrastate rate, fare, charge, classification, regulation, or practice.

Section 4 of the bill as agreed to in conference would amend section 13 (4) in three respects:

1. The first amendment is the insertion of the words "or undue burden on" in the present language describing the protection extended to interstate commerce. The addition of these words would serve to remove any doubt as to the Commission's power in instances where, upon appropriate records, it finds, as it has done in some section 13 proceedings, that the burden cast upon interstate commerce by intrastate rates or charges is undue and therefore unjustly discriminatory. Such findings have been questioned in the courts. This proposed change would thus afford the Commission additional statutory support needed in the administration of section 13.

2. The second amendment deals with the nature of the evidence to support a finding of undue discrimination against or undue burden on interstate commerce.

By two recent decisions of the Supreme Court (*Chicago, Milwaukee, St. Paul and Pacific Railroad Co.* v. *State of Illinois* (January 13, 1958) (356 U. S. 906), and *Public Service Commission of Utah* v. *United States* (May 19, 1958) (356 U. S. 421)), the Commission is required to consider the entire State operation, freight and passenger, in determining whether or not intrastate commuter fares, or intrastate freight rates, were causing an undue revenue discrimination against interstate commerce.

Apparently the holdings in these cases mean that the required finding of undue discrimination against, or undue burden on interstate or foreign commerce can be made only in the light of the overall statewide totality of a carriers operating results arising from all the rates applicable within a State.

This would preclude the ICC from making such a finding on a showing of only the effect of the particular intrastate rate or rates in question. The ICC could not under such a rule continue to function effectively in removing unjust discrimination against interstate commerce caused by intrastate rates. In addition, the burden on the carriers of presenting in evidence a separation of interstate and intrastate property, revenue, and expenses would impose an intolerable accounting problem and an almost impossible burden of proof.

As stated in the dissenting opinion of four justices in the Utah case, a consequence of the decisions "would be a radical, and in all likelihood unworkable, change in the way the Commission has administered the provisions of section 13 (4) for over 35 years."

It is essential that the standard of proof acceptable for 35 years be maintained. That is the purpose of this amendment.

3. The third amendment proposes to overcome the policy of comity under which the ICC has generally felt it undesirable to intervene while a matter involving intrastate rates is before a State regulatory commission. This policy has resulted in delays in removing discriminations against and burdens upon interstate commerce. The effect of this amendment would be to require the ICC to proceed promptly to a determination of such matters.

The above three amendments to paragraph (4) of section 13 do not vest the Commission with jurisdiction that it does not have today but deal with procedures in the exercise of that jurisdiction better to strengthen the protection of interstate commerce as designed in this provision of the act.

These three amendments to section 13 (4) of the Interstate Commerce Act agreed to by the conferees were contained in section 3 of the Senate bill. The House bill had no comparable section.

It should be called to the attention of the Senate that section 3 of the Senate bill also proposed to add a new paragraph (5) to section 13 of the Interstate Commerce Act that would authorize the ICC in a case involving a general adjustment of interstate rates to authorize at the petition of the railroads a comparable adjustment in intrastate rates—if the ICC finds that not to do so would impose an undue burden on interstate commerce.

The bill agreed to in conference does not contain this new paragraph (5) to section 13 from the Senate bill, or any provision based thereon.

3. Discontinuance of train service (sec. 5): Section 5 of the bill as agreed upon by the conferees would add to the Interstate Commerce Act a new section 13a providing a method and procedures to make it possible for carriers by railroad subject to the Interstate Commerce Act to discontinue or change, in whole or in part, the operation or service of trains or ferries operated by such carriers, notwithstanding otherwise applicable State laws. At present the Interstate Commerce Commission has no jurisdiction over discontinuance of railroad service unless abandonment of a line of a railroad is involved.

As both the Senate bill and the House amendment contained provisions on this subject, the members of the conference committee feel that the provisions of section 5 of the bill as agreed to in conference represent a reasonable and workable compromise of the controversial differences between the two versions insofar as these provisions are concerned.

The section would grant authority to discontinue service rendered by trains and ferries crossing State lines to the Interstate Commerce Commission. If enacted, this would invest ICC with authority to discontinue trains that impose a burden on interstate commerce. This provision, however, would not deprive the carrier of the right to go to State commissions to ask for discontinuance of trains crossing State lines. Carriers invoking ICC jurisdiction over a train or ferry would be required to give ample notice to the States in which such train or ferry is located.

State regulatory commissions would retain jurisdiction over stations, depots, and other such facilities.

Jurisdiction over trains operating wholly within a single State would remain with State regulatory commissions. If a State commission does not act on a request for discontinuance within a period of 120 days, or hands down a decision adverse to the applicant carrier, the railroad involved would be given right of petition to the ICC. The Commission would be allowed to grant discontinuance after a full hearing and upon finding that the public convenience and necessity permits such action and that the

continued operation constitutes an undue burden upon interstate commerce.

Notice to the State of the filing of such a petition with the ICC would be required, as well as provisions for hearings in the State in which such train or ferry is operated.

The Commission now has power to determine and to act in situations where intrastate rates impose a burden upon interstate commerce. The section would extend this power to the service itself.

4. Competitive ratemaking (sec. 6): The House and Senate versions were identical on the subject of competitive ratemaking except for a single punctuation mark in the House bill, which would have no effect on the meaning of the legislation. The House receded on changing the punctuation mark, thus restoring the original Senate version of the amendment to the rule of ratemaking in the Interstate Commerce Act.

5. Agricultural exemption in the Interstate Commerce Act (sec. 7): Section 7 of the bill agreed to in conference amends section 203 (b) (6) of the Interstate Commerce Act, with respect to the exemption from regulation of motor carrier transportation of certain agricultural commodities. Both the Senate bill and the House amendment contained provisions on this subject.

Under the Senate bill the agricultural-commodities exemption was frozen, with a slight modification, in accordance with ruling No. 107, dated March 19, 1958, of the Bureau of Motor Carriers, Interstate Commerce Commission. The same was true of the House amendment but the modifications were somewhat different.

Under the conference agreement the agricultural-commodities exemption is frozen in accordance with ruling No. 107, referred to above, with the following modification, which is a compromise between the Senate and House provisions:

Returned to economic regulation is the transportation by motor vehicle of frozen fruits, frozen berries, frozen vegetables, cocoa beans, coffee beans, tea, bananas, hemp, wool imported from any foreign country, wool tops and noils, and wool waste which has been carded, spun, woven, or knitted.

Exempted from economic regulation is the transportation of cooked or uncooked (including breaded) fish or shellfish when frozen or fresh, but not including fish and shellfish which have been treated for preserving such as canned, smoked, pickled, spiced, corned, or kippered products.

Under the House amendment any person engaged on July 1, 1958, in trucking the aforementioned commodities which are returned to economic regulation by this amendment would be entitled, upon application, to a certificate or permit allowing him, under regulation, to continue the transportation of the same commodities within the same areas or between the same points. The Senate bill used the date January 1, 1958. The conference agreement uses the date May 1, 1958.

6. Prohibition against illegal for-hire transportation (sec. 8): Section 8 of the bill agreed to in conference amends section 203 (c) of the Interstate Commerce Act, which prohibits certain operations in the transportation of property by motor vehicle without first obtaining appropriate operating authority.

The Senate bill and the House amendment each proposed to amend this provision, and the amendments proposed were quite similar but not identical.

The Senate bill provided "nor shall any person in any other commercial enterprise transport property by motor vehicle in interstate or foreign commerce unless such transportation is incidental to, and in furtherance of a primary business enterprise (other than transportation) of such person."

The conference agreement provides "nor shall any person engaged in any other business enterprise transport property by motor vehicle in interstate or foreign commerce for business purposes unless such transportation is within the scope, and in furtherance, of a primary business enterprise (other than transportation) of such person."

This amendment is designed to strengthen the hand of the Interstate Commerce Commission in eliminating illegal buy-and-sell operations and thereby return traffic to carriers operating legally under certificates and permits issued by the ICC.

Mr. SMATHERS. I should further like to say for the RECORD—and I hope very briefly—as to the guaranteed loan provisions in the bill, we compromised with the House on three aspects. The Senate had provided for a $700 million program. The conferees lowered the amount to a total to be loaned of not to exceed $500 million. We continued the length of the loans at 15 years. The Senate gave up its position that the money should be loaned for working capital and for operating expenses. In conference, it was agreed that the money can only be loaned for capital expenditure and for maintenance. In addition to that, we struck out a provision which the House had, limiting the amount of money which could be borrowed for maintenance to 50 percent of the amount which the company had spent in the preceding year for maintenance.

With respect to the intrastate rates, the House did not have any provision in its bill, so the House accepted a part of the Senate version on intrastate rates.

With respect to the discontinuance of service, we have given to the Interstate Commerce Commission for the first time the right to discontinue service when the service crosses a State line. However, we protected the right of the States, so ably explained by the distinguished Senator from Georgia and those others concerned about States' rights, by leaving to the State regulatory agencies the right to regulate and have a final decision with respect to the discontinuance of train service which originated and ended within one particular State, except when it could be established that intrastate service was a burden on interstate commerce.

In addition, the Senate receded on a provision under which we had given the Interstate Commerce Commission jurisdiction also to discontinue service in depots, terminals, and other such facilities in connection with the operation of railroads. We left that matter in the hands of the State regulatory agencies.

Mr. President, with respect to competitive ratemaking, the bills of both the Senate and the House had the same provisions. That was the provision which originated in the Senate, and the House included it in its bill. We did not change that in any respect whatever. Of course, we are very proud of the fact that not only the railroads but also the truckers, the water carriers, and everybody else agreed the rule of ratemaking could be changed without detriment to any one of them but that by putting the new criteria for ratemaking in the bill we are going to eliminate some of the paternalism which has heretofore existed in the minds of the Interstate Commerce Commission. I think we will breathe into our whole system of transportation some new competition, which of course is needed, because the public and the consumer will benefit therefrom.

With respect to the agricultural exemption, I think the able chairman of our committee and the chairman of the conference committee has said that we strengthened the bill in every respect. We got a stronger provision than what the House had or even what the Senate had by combining the language of the two bills. We have stopped the ever-widening interpretation of the agricultural exemption, which unfortunately the Supreme Court had been furthering in every decision.

We preserved the grandfather rights for those truckers and those rail carriers which might from now on come under regulation, if heretofore they had not been under regulation. We have granted grandfather rights in that respect.

We did not accept the House date on that provision, or the Senate date, but arrived at a compromise date, at the suggestion of the able chairman, which was the date of May 1, 1958. This was the fairest date on which we all could agree.

We tightened up the provisions with respect to private carriers, so that those who claim they are private carriers must in fact be private carriers. Carriers will not be permitted to indulge in common carriage under the facade of being a private carrier, thereby avoiding regulation.

We have met the criteria set up in the Brooks case, which the carriers wanted. We think we have tremendously strengthened the bill in that respect.

I would not want this occasion to pass without extending my congratulations to all the Senate and House conferees. All of them displayed remarkable knowledge and understanding of the problems confronting our national transportation system. They were objective in their considerations and deliberations. Without reservation it was one of the best conferences that I believe any of us had the pleasure of attending. All conferees tackled their job forthrightly with the public interest uppermost in their minds.

This piece of constructive legislation is the result of their efforts. They can be proud, and you can be proud of them for a job well done. All of them carried out the highest traditions of the Congress in the performance of their duties.

I should like to join the able chairman in saying that personally I have never before sat on a conference where everybody involved so seriously endeavored to constructively work out the differences between the two bills. I completely agree with our able and distinguished chairman in the statement that we have a much better bill than we started out with. I have no doubt that it will mean a great strengthening of the national transportation system. In so doing I believe it will strengthen our economy. It is a bill I am sure of which the Congress can well be proud.

Mr. BRICKER. Mr. President, first I wish to commend the chairman of the subcommittee and all its members, including the distinguished Senator from Kansas [Mr. SCHOEPPEL], the distinguished Senator from Connecticut [Mr.

PURTELL], my distinguished colleague from Ohio [Mr. LAUSCHE], and especially the chairman of the subcommittee, the Senator from Florida [Mr. SMATHERS], for the work which was done on the bill in the Senate.

There were some provisions which were objected to, of course, on the part of certain Members of the Senate at the time the bill passed the Senate.

In my judgment the conference was one of the finest in which I have ever participated. Every Member approached his responsibility from the standpoint of, What is the public interest? There were no special pleaders in the conference. We worked very cooperatively to get a proper bill.

The chairman of the House committee was encouraging to all of us in his endeavor to work out a bill which would be acceptable to the public, of advantage to the railroads, and of advantage to the common carriers by truck as well.

There was one provision which was debated on the floor particularly, and which I discussed with the distinguished Senator from New York [Mr. JAVITS]. This provision dealt with the problem of net loss and the abandonment of service. That matter was of peculiar interest to the distinguished Senator from Connecticut [Mr. PURTELL]. Although we differed on the interpretation of the section of the bill covering that subject, nevertheless, I assure the Senator from New York that the bill as it came from the conference puts the question of abandonment of service in practically the same situation, so far as original jurisdiction and appellate jurisdiction are concerned, as were the provisions under section 13 of the old interstate-commerce law.

So there is a primary jurisdiction existing within the States, and an appellate jurisdiction in the Interstate Commerce Commission, as was so aptly said by the chairman of the committee, only in a case of discrimination or an unfair burden. So the objections of the Senator from New York and the Senator from Connecticut were taken care of in the report of the conferees, which is now before the Senate.

Mr. JAVITS. The point I raised, in which the Senator from Connecticut was so deeply concerned, was the question of discontinuance if a net loss was shown, that being, in effect, the sole ground. As I understand, the conference report eliminates the net loss test, and the new test, which is now the test provided by the bill, as to the discontinuance of any commuter service—because that was what troubled us partciularly—is that it would constitute an undue burden upon the operations of such carrier or carriers, or upon interstate commerce. As I construe that provision, the commission would have to look at the overall situation of the entire railroad in order to determine the inequity of requiring it to continue a particular commuter branch.

Mr. BRICKER. The question involves the relation between the commuter income and income from the other services which the railroad renders.

I do not, of course, agree with the distinguished Senator from New York that there was only a single criterion in the bill originally. Nevertheless, that provision is now out of the bill, and there is no problem in that connection.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. JAVITS. Mr. President, I shall certainly not oppose the report. On the contrary, I am very much in favor of it. I greatly appreciate the fact that the problem of grave interest to commuters around metropolitan areas has been cared for in the report.

I believe I speak for tens of thousands of commuters in my part of the country when I express appreciation to the conferees, the chairman of the committee [Mr. MAGNUSON], the Senator from Florida [Mr. SMATHERS], the junior Senator from Ohio [Mr. LAUSCHE], and the Senator from Texas [Mr. YARBOROUGH], as well as to our colleagues on this side of the aisle, the Senator from Connecticut [Mr. PURTELL], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Ohio [Mr. BRICKER], who has just spoken, for the very constructive manner in which they reached a solution of this problem.

I believe that the commuter branches need help, especially from States and municipalities. It is my intention, once the conference report is approved—which I hope will be shortly—to introduce proposed legislation which would insure to the commuter carrying roads any tax abatement which they obtain locally, by providing that the Federal Government shall not take the benefit of it in its own taxes. That is a recommendation contained in the very distinguished report of the subcommittee of the Senator from Florida.

Mr. MANSFIELD. Mr. President, I wish to join the distinguished Senator from Ohio and the distinguished Senator from New York in expressing the thanks of the Senate for the fine work performed by the subcommittee under the distinguished chairmanship of the Senator from Florida [Mr. SMATHERS] in bringing about an equitable solution of this very vexing and difficult problem.

Also I feel that the distingushed Senator from Washington [Mr. MAGNUSON], chairman of the full committee, is to be commended for the overall guidance he furnished. I think the committee has done a good job, and that the Congress can be very well satisfied with the results.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

TAX RELIEF TO CERTAIN RAILROADS IN CONNECTION WITH COMMUTER SERVICE

Mr. JAVITS. Mr. President, I introduce for appropriate reference a bill to grant a form of tax relief to the railroads which will encourage continuation of efficient passenger commuter service and enable many lines to deal with sizable losses incurred in such operations.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 4200) to amend the Internal Revenue Code of 1954 so as to permit railroad corporations to take full advantage of tax relief measures enacted or granted by the States and their political subdivisions, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on Finance.

Mr. JAVITS. The bill would amend the Internal Revenue Code of 1954 to assure that where States and municipalities grant tax relief to railroads operating such services at a loss, such assistance would directly benefit the railroads and not be absorbed by increased Federal taxes. I believe that Congress has an increased responsibility to provide this type of tax relief following final approval of the Transportation Act of 1958 in the Senate today. It retains a House amendment similar to one I offered unsuccessfully in the Senate, which authorizes the Interstate Commerce Commission to consider public convenience and necessity, as well as the fact that a passenger-service branch may operate at a net loss when weighing a railroad's request to discontinue such service. Commuter service should be rendered where at all practicable, and not eliminated solely because it is run unprofitably, unless such an operation places an unreasonable burden on the financial stability of the entire railroad. I am very glad to see the kind of job the conferees did, especially in taking cognizance of the rights and interests of commuters. In this way the Transportation Act makes a positive contribution toward protecting the interests of millions who depend daily on passenger commuter service. But now it is the duty of the Congress to follow through with helping to get positive financial aid for those railroads which must continue to operate such services at substantial losses because it is deemed to be demanded by public convenience and necessity. Some of such relief is provided in the bill and some of it will come from tax abatement.

Enactment of this measure would prove a powerful stimulus in persuading States and localities to offer forms of tax exemption and tax abatement to railroads operating essential but unprofitable commuter passenger services within their boundaries. They would do so in the realization that the beneficiaries of such assistance would be the railroads which need it to operate and that the Federal Government would not siphon off in increased Federal taxes large portions of these funds, which previously fed State and municipal treasuries.

The alternative to Federal legislation of this kind is sitting back and watching the railroads and Government authorities argue endlessly over failure to provide adequate passenger, especially commuter, services, demands for increased commuter fares, proposals for abrupt cancellations of commuter branch operations, and mounting losses that in many cases jeopardize the financial structure of the entire line. We cannot allow that to happen if we are to safeguard adequately the riding public's interest and that of the railroads, a vital element in our national transportation situation in our prosperity and in our

defense. One can never draw a nice balance between the "break even" point and a slight profit. Every municipality which wishes to give tax abatement can judge that question for itself. Therefore we should not make it possible for a portion of the benefit resulting from local tax abatement to come back to the Federal Government in the form of increased Federal taxes.

This has been recommended in the Smathers report, which I point out as a great landmark in this field.

The Public Service Commission of my own State of New York has come forward in favor of this kind of legislation, in a report entitled "Report of Investigation by the Public Service Commission of the Long Island Railroad," dated March 3, 1958.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks, a concurrent resolution adopted by the New York State Legislature, memorializing Congress to enact appropriate legislation affecting the railroad industry, which also deals with the proposed legislation which I am introducing today.

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

Senate Concurrent Resolution 153

Concurrent resolution adopted by the New York State Legislature memorializing Congress to enact appropriate legislation affecting the railroad industry

Whereas the railroad industry in the State of New York because of the vast service it provides the public as transporter of passengers and freight, as employer of more than 100,000 persons earning over $430 million annually, as a taxpayer contributing $45 million annually in real estate and special franchise taxes in the State, and as purchaser and consumer of goods and services amounting to hundreds of millions of dollars annually, plays a tremendously vital role in the economy of our State and Nation; and

Whereas it has become generally recognized that the railroad industry is in a precarious financial situation warranting immediate action by government at all levels; and

Whereas a recent report of the Public Service Commission of the State of New York confirms that "the entire ailing passenger transportation industry is badly in need of resuscitative governmental assistance"; and

Whereas there are pending before the New York State Legislature several proposals designed to provide equitable tax relief to the railroads so as to place them on a basis more nearly competitive with other forms of transportation; and

Whereas it is essential to the economy of our State and Nation that the railroads continue to operate under private ownership earning a fair rate so as to avoid the alternative of public ownership at incalculable cost to the public: Now, therefore, be it

Resolved, That the Congress of the United States be memorialized to enact appropriate legislation to (a) obviate archaic controls originally enacted in an era when the railroad industry enjoyed a transportation monopoly, so as to permit the industry to fairly compete with other forms of transportation which are so substantially subsidized by public funds or facilities; (b) amend the Internal Revenue law to make available to the railroad industry the full advantage of any subsidy or tax foregiveness which may be provided by this or any State; (c) repeal the Federal excise tax on freight transportation and the Federal excise tax on passenger transportation; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the Secretary of the Senate, the Clerk of the House of Representatives, and to each Member of the Congress of the United States duly elected from the State of New York and that the latter be urged to devote themselves to the task of accomplishing the purpose of this resolution.

Mr. JAVITS. Mr. President, I shall close by citing as an example the Long Island Railroad, to which I referred a moment ago.

This railroad is the only line in the East which does not operate commuter service at a net loss thanks to tax forgiveness granted by the State and the city of New York, and the tax loss carryovers which exempt it from payment of Federal income tax. However, in 1959, when this Federal loss benefit has been exhausted, the earnings of the Long Island Railroad will be taxed by the Federal Government at the rate of 52 percent. The Federal Treasury will then become the recipient under provisions of the present Internal Revenue Code of much of the tax forgiveness now granted by the city and State. If that happens, serious doubts have been expressed on the feasibility of proceeding with plans to reduce fares and install new equipment for more efficient and safer passenger service.

It is by now a well-known fact that the East is no exception; that commuter service operates at a net loss almost everywhere in the Nation. The ICC will be empowered under the approved bill to grant requests for cancellation where such service imperils the financial future of the railroads' overall operations. Federal action taken promptly to encourage States and localities to grant tax relief to these lines will rescue many lines from precarious financial situations, permitting them better to serve the daily transportation needs of the Nation.

The commuter problem is a very grave problem throughout the entire country, in the transition period between great advances in the techniques of transportation. I feel that the kind of intermediate help which we are giving in the Transportation Act of 1958, and which is being given by States and cities, will be materially promoted by the enactment of the legislation which I am introducing today. I feel that it is so urgent that I hope it will have high priority attention from the Committee on Finance, which would be required were it to pass at this session.

CONSTRUCTION AT MILITARY INSTALLATIONS

Mr. MANSFIELD. Mr. President, I ask that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. The unfinished business automatically comes before the Senate.

The Senate resumed the consideration of the bill (H. R. 13015) to authorize certain construction at military installations, and for other purposes.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The bill had been reported from the Committee on Armed Services, with an amendment, to strike out all after the enacting clause and insert:

TITLE I

SEC. 101. The Secretary of the Army may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and quipment, for the following projects:

Inside the United States

Technical Services Facilities

Ordnance Corps

Aberdeen Proving Ground, Md.: Troop housing, and utilities, $2,697,000.

Detroit Arsenal, Mich.: Administrative facilities, $5,666,000.

Redstone Arsenal, Ala.: Administrative facilities, troop housing, and utilities, $8,529,000.

Rock Island Arsenal, Ill.: Operational and training facilities, $570,000.

White Sands Missile Range, N. Mex.: Operational and training facilities, research, development and test facilities, medical facilities, troop housing, and community facilities, $7,931,000.

Quartermaster Corps

Fort Lee, Va.: Operational and training facilities, and troop housing, $4,630,000.

Chemical Corps

Army Chemical Center, Md.: Troop housing, and utilities, $2,051,000.

Fort Detrick, Md.: Troop housing, $795,000.

Signal Corps

Fort Huachuca, Ariz.: Maintenance facilities, research, development, and test facilities, administrative facilities, troop housing, operational and training facilities, and utilities, $9,098,000.

Corps of Engineers

Army Map Service, Md.: Operational and training facilities, $1,913,000.

Transportation Corps

Fort Eustis, Va.: Operational and training facilities, administrative facilities, troop housing, and utilities, $3,634,000.

Medical Corps

Fitzsimons Army Hospital, Colo.: Troop housing, $862,000.

Field Forces Facilities

First Army area

Fort Devens, Mass.: Operational and training facilities, $171,000.

Fort Dix, N. J.: Troop housing and utilities, $3,749,000.

Second Army area

Carlisle Barracks, Pa.: Family housing, and real estates, $374,000.

Fort Knox, Ky.: Operational and training facilities, and utilities, $516,000.

Fort Meade, Md.: Operational and training facilities, $498,000.

Fort Ritchie, Md.: Supply facilities, $43,000.

Third Army area

Fort Benning, Ga.: Operational and training facilities, maintenance facilities, troop housing, and family housing, $3,454,000.

Fort Bragg, N. C.: Operational and training facilities, and maintenance facilities, $762,000.

Fort Campbell, Ky.: Operational and training facilities, maintenance facilities, medical facilities, and administrative facilities, $847,000.

Fort McClelland, Ala.: Operational and training facilities, $174,000.

Fort Rucker, Ala.: Operational and training facilities, administrative facilities, troop housing, and utilities, $2,406,000.

Fourth Army area

Fort Bliss, Tex.: Operational and training facilities, maintenance facilities, troop housing, and utilities, $13,734,000.

Fort Hood, Tex.: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, troop housing, and utilities, $4,258,000.

Fort Sill, Okla.: Operational and training facilities, maintenance facilities, administrative facilities, and utilities, $3,227,000.

Fifth Army area

Fort Benjamin Harrison, Ind.: Troop housing, and family housing, $783,000.

Fort Leavenworth, Kans.: Operational and training facilities, and troop housing, $1,076,000.

Fort Riley, Kans.: Operational and training facilities, and utilities, $1,084,000.

Sixth Army area

Camp Desert Rock, Nev.: Maintenance facilities, and utilities, $374,000.

Fort Lewis, Wash.: Operational and training facilities, and maintenance facilities, $1,085,000.

Fort Ord, Calif.: Operational and training facilities, maintenance facilities, supply facilities, troop housing, community facilities, and utilities, $4,733,000.

Yuma Test Station, Ariz.: Operational and training facilities, $173,000.

Military Academy

United States Military Academy, West Point, N. Y.: Troop housing, medical facilities, and community facilities, $5,884,000.

Armed Forces special weapons

Various locations: Maintenance facilities, community facilities, and utilities, $273,000.

Tactical installations support facilities

Various locations: Maintenance facilities, $6,311,000.

Outside Continental United States

Alaskan area

Fairbanks Permafrost Research area: Real estate, $7,000.

Pacific command area

Kawaihae Harbor, T. H.: Operational and training facilities, $240,000.

Schofield Barracks, T. H.: Troop housing, $593,000.

Fort Shafter, T. H.: Supply facilities, maintenance facilities, family housing, and community facilities, $2,925,000.

Korea: Operational and training facilities, supply facilities, and utilities, $904,000.

United States Army, Europe

France: Operational and training facilities, maintenance facilities, medical facilities, administrative facilities, supply facilities, and utilities and ground improvements, $4,063,000.

SEC. 102. The Secretary of the Army may establish or develop classified military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $63,906,000.

SEC. 103. The Secretary of the Army may establish or develop Army installations and facilities by proceeding with construction made necessary by changes in Army missions, new weapons developments, new and unforeseen research and development requirements, or improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next military construction authorization act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $25 million: *Provided*, That the Secretary of the Army, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real-estate actions pertaining thereto.

SEC. 104. (a) In accordance with the provisions of section 407 of the act of September 1, 1954 (68 Stat. 1119, 1125), as amended, and subject to the provisions of section 513 of this act, the Secretary of the Army is authorized to construct, or acquire by lease or otherwise, family housing for occupancy as public quarters at the following locations by utilizing foreign currencies acquired pursuant to the provisions of the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 454) or through other commodity transactions of the Commodity Credit Corporation:

Various locations, France, 298 units.

Vicenza, Italy, 371 units.

Army Security Agency, location 13, 91 units.

Gateway Communications Station, 174 units.

(b) In accordance with the provisions of title IV of the Housing Amendments of 1955 (69 Stat. 646), as amended, the Secretary of the Army is authorized to construct family housing for occupancy as public quarters at the following locations:

Inside the United States

Redstone Arsenal, Ala., 316 units.

Seneca Ordnance Depot, N. Y., 120 units.

White Sands Missile Range, N. Mex., 200 units.

Fort Monmouth, N. J., 130 units.

Fort Lee, Va., 435 units.

Natick R&E, Mass., 35 units.

Fort Belvoir, Va., 618 units.

Two Rock Ranch Station, Calif., 25 units.

Dugway Proving Ground, Utah, 50 units.

Beaumont Army Hospital, Tex., 125 units.

Fort Totten, N. Y., 130 units.

Fort Campbell, Ky., 837 units.

Granite City Engineer Depot, Ill., 65 units.

Fort Rucker, Ala., 400 units.

Fort Stewart, Ga., 73 units.

Fort Bliss, Tex., 410 units.

Fort Hood, Tex., 500 units.

Fort Sill, Okla., 349 units.

Fort Leonard Wood, Mo., 700 units.

Fort Leavenworth, Kans., 200 units.

Fort Sheridan, Ill., 50 units.

Forts Baker and Barry, Calif., 98 units.

Oakland Army Terminal, Calif., 88 units.

Fort Lewis, Wash., 856 units.

Branch United States Disciplinary Barracks, Calif., 160 units.

United States Military Academy, N. Y., 156 units.

Bossier Base, La., 200 units.

Medina Base, Tex., 125 units.

Sandia Base, N. Mex., 213 units.

Army Air Defense Command Stations, 466 units.

Outside the United States

Canal Zone, 330 units.

Schofield Barracks, Hawaii, 385 units.

Fort Shafter, Hawaii, 481 units: *Provided, however*, That no family housing units shall be constructed on Fort DeRussy.

(c) In accordance with the provisions of section 404 (a) of the Housing Amendments of 1955 (69 Stat. 652), as amended, the Secretary of the Army is authorized to acquire family housing at the following locations:

Aberdeen Proving Ground, Aberdeen, Md., 796 units.

Dugway Proving Ground, Utah, 400 units.

Fort Sam Houston, Tex., 840 units.

Fort Sill, Okla., 500 units.

SEC. 105. (a) Public Law 209, 83d Congress, as amended, is amended under the heading "Continental United States" in section 101 as follows:

Under the subheading "Technical Service Facilities (Ordnance Corps)", with respect to Pueblo Ordnance Depot, Colo., strike out "$563,000" and insert in place thereof "$600,000."

(b) Public Law 209, 83d Congress, as amended, is amended by striking out in clause (1) of section 502 the amounts "$44,407,000" and "$134,075,000" and inserting in place thereof "$44,444,000" and "$134,112,000", respectively.

SEC. 106. (a) Public Law 161, 84th Congress, as amended, is amended under the heading "Continental United States" in section 101, as follows:

(1) Under the subheading "Technical Services Facilities (Ordnance Corps)", with respect to Redstone Arsenal, Ala., strike out "$2,865,000" and insert in place thereof "$4,180,000."

(2) Under the subheading "Technical Services Facilities (Signal Corps)", with respect to Fort Monmouth, N. J., strike out "$615,000" and insert in place thereof "$731,000"; and with respect to Vint Hill Farms Station, Va., strike out "$695,000" and insert in place thereof "$1,022,000."

(3) Under the subheading "Technical Services Facilities (Corps of Engineers)", with respect to Granite City Engineer Depot, Ill., strike out "$1,822,000" and insert in place thereof "$2,815,000."

(4) Under the subheading "Technical Services Facilities (Medical Corps)", with respect to Walter Reed Army Medical Center, District of Columbia, strike out "$4,472,000" and insert in place thereof "$6,714,000."

(5) Under the subheading "Field Forces Facilities (Second Army Area)", with respect to Fort George G. Meade, Md., strike out "$923,000" and insert in place thereof "$1,264,000."

(6) Under the subheading "Field Forces Facilities (Fourth Army Area)", with respect to Fort Bliss, Tex., strike out "$4,645,000" and insert in place thereof "$4,965,000"; and with respect to Fort Sill, Okla., strike out "$3,053,000" and insert in place thereof "$3,454,000."

(7) Under the subheading "Field Forces Facilities (Sixth Army Area)", with respect to Fort Ord, Calif., strike out "$1,407,000" and insert in place thereof "$1,742,000."

(8) Under the subheading "Field Forces Facilities (Military Academy)", with respect to the United States Military Academy, N. Y., strike out "$756,000" and insert in place thereof "$1,171,000."

(b) Public Law 161, 84th Congress, as amended, is amended by striking out in clause (1) of section 502 the amounts "$237,320,000" and "$546,387,000" and inserting in place thereof "$244,125,000" and "$553,192,000", respectively.

SEC. 107. (a) Public Law 968, 84th Congress, as amended, is amended under the heading "Inside the United States" in section 101, as follows:

(1) Under the subheading "Technical Services Facilities (Ordnance Corps)", with respect to White Sands Proving Ground, N. Mex., strike out "$693,000" and insert in place thereof "$735,000."

(2) Under the subheading "Technical Services Facilities (Chemical Corps)", with respect to Camp Detrick, Md., strike out "$913,000" and insert in place thereof "$1,074,000"; and with respect to Dugway

Proving Ground, Utah, strike out "$867,000" and insert in place thereof "$1,044,000."

(3) Under the subheading "Technical Services Facilities (Signal Corps)", with respect to Fort Huachuca, Ariz., strike out "$6,856,000" and insert in place thereof "$7,576,000."

(4) Under the subheading "Technical Services Facilities (Corps of Engineers)", with respect to Fort Belvoir, Va., strike out "$492,000" and insert in place thereof "$940,000."

(5) Under the subheading "Technical Services Facilities (Transportation Corps)", with respect to Fort Eustis, Va., strike out "$1,231,000" and insert in place thereof "$1,436,000."

(6) Under the subheading "Field Forces Facilities (First Army Area)", with respect to Fort Dix, N. J., strike out "$54,000" and insert in place thereof "$68,000."

(7) Under the subheading "Field Forces Facilities (Second Army Area)", with respect to Fort George G. Meade, Md., strike out "$5,885,000" and insert in place thereof "$7,695,000."

(8) Under the subheading "Field Forces Facilities (Third Army Area)", with respect to Fort Benning, Ga., strike out "$422,000" and insert in place thereof "$616,000"; and with respect to Fort McClellan, Ala., strike out "$397,000" and insert in place thereof "$527,000."

(9) Under the subheading "Field Forces Facilities (Fourth Army Area)," with respect to Fort Hood, Tex., strike out "$2,457,000" and insert in place thereof "$2,846,000."

(10) Under the subheading "Field Forces Facilities (Fifth Army Area)," with respect to Fort Riley, Kans., strike out "$1,519,000" and insert in place thereof "$1,892,000."

(11) Under the subheading "Field Forces Facilities (Sixth Army Area)," with respect to Fort Lewis, Wash., strike out "$3,022,000" and insert in place thereof "$3,596,000"; and with respect to Fort Ord, Calif., strike out "$223,000" and insert in place thereof "$319,000."

(b) Public Law 968, 84th Congress, as amended, is amended under the heading "Outside the United States" in section 101, as follows:

Under the subheading "(Alaskan Area)," with respect to Wildwood Station (Kenai), strike out "$352,000" and insert in place thereof "$516,000."

(c) Public Law 968, 84th Congress, as amended, is amended by striking out in clause (1) of section 402 the amounts "$95,010,000," "$35,763,000," and "$334,104,000" and inserting in place thereof "$100,343,000," "$35,927,000," and "$339,601,000," respectively.

SEC. 108. (a) Public Law 85–241, 85th Congress, is amended under the heading "Inside the United States" in section 101 as follows:

Under the subheading "Technical Services Facilities (Corps of Engineers)" with respect to Cold Regions Laboratory, Hanover, N. H., strike out "$2,496,000" and insert in place thereof "$3,787,000."

(b) Public Law 85–241, 85th Congress, is amended by striking out in clause (1) of section 502 the amounts "$115,624,000" and "$293,103,000" and inserting in place thereof "$116,915,000" and "$294,394,000."

SEC. 110. (a) The Secretary of the Army is authorized and directed, unless the Secretary of Defense finds after due investigation that such action would be inimical to the national security, to make available to the Administrator of the General Services Administration, or his designee, the San Jacinto Ordnance Depot, Tex. Upon such property being made available, the Administrator or his designee is authorized and directed to enter into a contract or contracts for the sale of such property in lots or in its entirety under public bid procedures and at not less than the fair market value and to convey by quitclaim deed, all right, title, and interest of the United States, except as retained in this act, in and to such property to any legal person or group except Government agencies or departments upon such terms and conditions as the Administrator or his designee determines to be in the public interest.

(b) Any conveyance made pursuant to the provisions of subsection (a) hereof shall include the following conditions:

(1) All mineral rights, including gas and oil, in the lands to be conveyed shall be reserved to the United States;

(2) The San Jacinto property shall be offered for sale within 36 months from the date of enactment of this act;

(3) Title in and to such property shall remain in the United States until full payment of the agreed purchase price is made.

(c) In the event the San Jacinto Ordnance Depot is made available to the General Services Administration pursuant to the provisions of subsections (a) and (b) hereof, there is hereby authorized to be appropriated to the Secretary of the Army such sums as are necessary not to exceed $40 million to establish and construct, including land acquisition, replacement facilities to the extent required at Point-Aux-Pins, Ala., or any other location selected by the Secretary of Defense.

TITLE II

SEC. 201. The Secretary of the Navy may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment for the following projects:

Inside the United States

Shipyard facilities

Naval Facility, Cape May, N. J.: Operational and training facilities, $141,000.

Naval Shipyard, Long Beach, Calif.: Operational and training facilities, $6 million: *Provided, however,* That no more than $500,000 of this sum shall be utilized for protective works until the Secretary of the Navy determines in his judgment that sufficient action has been taken or arrangements made to arrest further subsidence of the shipyard.

Naval Submarine Base, New London, Conn.: Operational and training facilities, $2,247,000.

Naval Shipyard, San Francisco, Calif.: Operational and training facilities, $766,000.

Fleet Base Facilities

Naval Station, Newport, R. I.: Troop housing, and community facilities, $1,709,000.

Naval Base, Norfolk, Va.: Operational and training facilities, $2,546,000.

Aviation Facilities

Naval air training stations

Naval Auxiliary Air Station, Kingsville, Tex.: Troop housing, $1,041,000.

Naval Auxiliary Air Station, Meridian, Miss.: Operational and training facilities, maintenance facilities, supply facilities, medical facilities, troop housing, community facilities, and utilities and ground improvements, $14,940,000.

Naval Auxiliary Air Station, Whiting Field, Fla.: Operational and training facilities, utilities and ground improvements, and real estate, $4,679,000.

Fleet support air stations

Naval Air Station, Alameda, Calif.: Operational and training facilities, $114,000.

Naval Air Station, Cecil Field, Fla.: Maintenance facilities, $1,252,000.

Naval Auxiliary Landing Field, Crows Landing, Calif.: Operational and training facilities, $47,000.

Naval Auxiliary Air Station, Fallon, Nev.: Operational and training facilities, $80,000.

Naval Auxiliary Landing Field, Fentress, Va.: Operational and training facilities, $142,000.

Naval Seaplane Facility, Harvey Point, N. C.: Operational and training facilities, maintenance facilities, medical facilities, troop housing, administrative facilities, and utilities and ground improvements, $11,215,000.

Naval Air Station, Jacksonville, Fla.: Operational and training facilities, $74,000.

Naval Air Station, Lemoore, Calif.: Operational and training facilities, troop housing, community facilities, administrative facilities, supply facilities, and utilities and ground improvements, $15,823,000.

Naval Auxiliary Air Station, Mayport, Fla.: Operational and training facilities, supply facilities, community facilities, utilities, and real estate, $9,892,000.

Naval Air Station, North Island, San Diego, Calif.: Operational facilities, and real estate, $7 million.

Naval Outlying Field, Whitehouse Field, Fla.: Operational and training facilities, $142,000.

Marine Corps air stations

Marine Corps Auxiliary Air Station, Beaufort, S. C.; Operational and training facilities and real estate, $4,352,000.

Marine Corps Auxiliary Air Station, Yuma, Ariz.: Operational and training facilities, $8,946,000.

Marine Corps Air Station, Cherry Point, N. C.: Operational and training facilities, and supply facilities, $1,067,000.

Marine Corps Air Facility, New River, N. C.: Operational and training facilities, $1,003,000.

Marine Corps Air Facility, Santa Ana, Calif.: Operational and training facilities, $2,158,000.

Special purpose air stations

Naval Air Facility, Towers Field, Andrews Air Force Base, Camp Springs, Md.: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, troop housing, utilities, and operational and training facilities at the Naval Air Station, Patuxent River, Md., $17,666,000.

Naval Air Missile Test Center, Point Mugu, Calif.: Operational and training facilities, maintenance facilities, research, development and test facilities, supply facilities, and troop housing (including operational and training facilities and troop housing on San Nicolas Island; and maintenance facilities, research, development and test facilities, supply facilities, troop housing, and utilities and ground improvements at Camp Cooke), $13,841,000.

Supply Facilities

Naval Supply Depot, Newport, R. I.: Utilities, $2,210,000.

Naval Supply Center, Norfolk, Va.: Administrative facilities, $128,000.

Naval Supply Center, Oakland, Calif.: Administrative facilities, $146,000.

Marine Corps Facilities

Marine Corps Supply Center, Barstow, Calif.: Operational and training facilities, $280,000.

Marine Corps Recruit Depot, Parris Island, S. C.: Utilities, $462,000.

Marine Corps Base, Camp Pendleton, Calif.: Operational and training facilities, maintenance facilities, troop housing, and utilities, $5,138,000.

Marine Corps Schools, Quantico, Va.: Operational and training facilities, $168,000.

Marine Corps Recruit Depot, San Diego, Calif.: Utilities, $206,000.

Marine Corps Base, Twentynine Palms, Calif.; Maintenance facilities, $241,000.

Ordnance Facilities

Naval Ammunition Depot, Bangor, Wash.: Maintenance facilities, $86,000.

Naval Ordnance Test Station, China Lake, Calif.: Supply facilities, $129,000.

Naval Ammunition Depot, Concord, Calif.: Maintenance facilities, $2,517,000.

Naval Ordnance Laboratory, Corona, Calif.: Research, development, and test facilities, $510,000.

Naval Proving Ground, Dahlgren, Va.: Research, development, and test facilities, $44,000.

Naval Ammunition Depot, Hingham, Mass.: Maintenance facilities, $694,000.

Naval Ordnance Laboratory, White Oak, Md.: Research, development, and test facilities, $601,000.

Service School Facilities

Naval Academy, Annapolis, Md.: Troop housing $14,200,000.

Fleet Air Defense Training Center, Dam Neck, Va.: Operational and training facilities, $1,184,000.

Naval Receiving Station, District of Columbia: Operational facilities, $650,000.

Naval Training Center, Great Lakes, Ill.: Operational and training facilities, $1,368,000.

Naval War College, Newport, R. I.: Operational and training facilities, $273,000.

Armed Forces Staff College, Norfolk, Va.: Operational and training facilities, $4,643,000.

Naval Training Center, San Diego, Calif.: Operational and training facilities, $4,199,000.

Medical Facilities

National Naval Medical Center, Bethesda, Md.: Hospital and medical facilities, $8,503,000.

Communication Facilities

Naval Radio Station, Washington County, Maine: Operational and training facilities, and utilities and ground improvements, $38,654,000.

Office of Naval Research Facilities

Naval Research Laboratory, District of Columbia: Research, development, and test facilities, $192,000.

Outside the United States

Shipyard Facilities

Naval Submarine Base, Pearl Harbor, Oahu, T. H.: Operational and training facilities, $159,000.

Aviation Facilities

Naval Air Station, Agana, Mariana Islands: Operation and training facilities, and real estate, $4,414,000.

Naval Station, Bermuda, British West Indies: Operational and training facilities, $683,000.

Naval Air Station, Ford Island, T. H.: Operational and training facilities, $1,271,000.

Naval Air Facility, Naha, Okinawa: Supply facilities, $165,000.

Naval Station, Roosevelt Roads, P. R.: Operational and training facilities, $3,824,000.

Supply Facilities

Naval Supply Depot, Guam, Mariana Islands: Supply facilities, $3,060,000.

Communication Facilities

Naval Communication Unit No. 3, Asmara, Eritrea: Operational and training facilities, $1,180,000.

Naval Radio Facility, Londonderry, North Ireland: Operational and training facilities, $219,000.

Naval Radio Facility, Port Lyautey, Morocco: Operational and training facilities, $519,000.

Yards and Docks Facilities

Public Works Center, Guantanamo Bay, Cuba: Utilities, $890,000.

SEC. 202. The Secretary of the Navy may establish or develop classified naval installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $66,194,000.

SEC. 203. The Secretary of the Navy may establish or develop naval installations and facilities by proceeding with construction made necessary by changes in Navy missions, new weapons developments, new and unforeseen research and development requirements, or improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next military construction authorization act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $25 million: *Provided*, That the Secretary of the Navy, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto.

SEC. 204. (a) In accordance with the provisions of section 407 of the act of September 1, 1954 (68 Stat. 1119, 1125), as amended, and subject to the provisions of section 513 of this act, the Secretary of the Navy is authorized to construct, or acquire by lease or otherwise, family housing for occupancy as public quarters and community facilities at the following locations by utilizing foreign currencies acquired pursuant to the provisions of the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 454) or through other commodity transactions of the Commodity Credit Corporation:

Naval Magazine, Cartagena, Spain, 46 units, and community facilities.

Naval Magazine, El Ferrol, Spain, 45 units, and community facilities.

Naval Air Station, Port Lyautey, Morocco, 330 units.

Naval Air Facility, Sigonella, Italy, 122 units, and community facilities.

(b) In accordance with the provisions of title IV of the Housing Amendments of 1955 (69 Stat. 646), as amended, the Secretary of the Navy is authorized to construct family housing for occupancy as public quarters at the following locations:

Inside the United States

Naval Air Station, Brunswick, Maine, 277 units.

Marine Corps Base, Camp Lejeune, N. C., 800 units.

Naval Facility, Cape Hatteras, N. C., 27 units.

Naval Facility, Centerville, Calif., 24 units.

Marine Corps Air Station, Cherry Point, N. C., 849 units.

Naval Facility, Coos Head, Oreg., 24 units.

Naval Training Center, Great Lakes, Ill., 425 units.

Naval Air Station, Lemoore, Calif., 800 units.

Naval Facility, Nantucket, Mass., 19 units.

Naval Submarine Base, New London, Conn., 500 units.

Naval Facility, Pacific Beach, Wash., 30 units.

Naval Facility, Point Sur, Calif., 24 units.

Naval Air Station, Whidbey Island, Wash., 550 units.

Naval Ordnance Missile Test Facility, White Sands Proving Grounds, N. Mex., 51 units.

Outside of the United States

Naval Air Station, Barber's Point, Oahu, T. H., 1,140 units.

Fleet Marine Force, Pacific, Headquarters, Camp H. M. Smith, Oahu, T. H., 168 units.

Naval Station, Guam, Mariana Islands, 220 units.

Marine Corps Air Station, Kaneohe Bay, Oahu, T. H., 650 units.

Naval Ammunition Depot, Oahu, T. H., 80 units.

Naval Station, Pearl Harbor, Oahu, T. H., 650 units.

(c) In accordance with the provisions of section 404 (a) of the Housing Amendments of 1955 (69 Stat. 652), as amended, the Secretary of the Navy is authorized to acquire family housing at the following locations:

Marine Corps Base, Camp Pendleton, Calif., 1,562 units.

Marine Corps Training Center, Twentynine Palms, Calif., 493 units.

Naval Auxiliary Air Station, Whiting Field, Fla., 96 units.

Naval Powder Factory, Indian Head Md., 385 units.

Naval Station, Green Cove Springs, Fla., 392 units.

Squantum Gardens, Mass., 150 units.

SEC. 205. (a) Public Law 534, 82d Congress, as amended, is amended under the heading "Continental United States" in section 201 as follows:

Under the subheading "medical facilities," with respect to the Naval Hospital, Norfolk, Va. area, strike out "$12,815,000" and insert in place thereof "$13,979,000."

(b) Public Law 534, 82d Congress, as amended, is amended by striking out in clause (2) of section 402 the amounts "$139,143,000" and "$266,927,000," and inserting respectively in place thereof "$140,307,000," and "$268,091,000."

SEC. 206. (a) Public Law 534, 83d Congress, as amended, is amended by striking out in section 202, "$70,656,000," and inserting in place thereof "$72,785,000."

(b) Public Law 534, 83d Congress, as amended, is amended by striking out in clause (2) of section 502 the amounts "$70,656,000," and $210,704,000" and inserting respectively in place thereof "$72,785,000," and "$212,833,000."

SEC. 207. (a) Public Law 161, 84th Congress, as amended, is amended under the heading "Continental United States" in section 201 as follows:

(1) Under the subheading "Marine Corps facilities," with respect to the Marine Corps Base, Camp Pendleton, Calif., strike out "$648,000" and insert in place thereof "$778,000.'"

(2) Under the subheading "ordnance facilities," with respect to the Naval Underwater Ordnance Station, Newport, R. I., strike out "$370,000" and insert in place thereof "$411,000."

(b) Public Law 161, 84th Congress, as amended, is amended under the heading "Outside Continental United States" in section 201, as follows:

Under subheading "aviation facilities," with respect to the Naval Air Station, Agana, Guam, Marianas Islands, by striking out "$6,525,000" and inserting in place thereof "$9,063,000" and with respect to the Naval Station, Argentia, Newfoundland, by striking out "$8,589,800" and inserting in place thereof "$9,089,800."

(c) Public Law 161, 84th Congress, as amended, is amended by striking out in clause (2) of section 502 the amounts "$308,463,600," "$108,365,300," and "$575,592,300" and inserting respectively in place thereof "$308,634,600," "$111,403,300," and "$578,801,300."

SEC. 208. (a) Public Law 968, 84th Congress, as amended, is amended under the heading "Inside the United States" in section 201, as follows:

(1) Under the subheading "fleet base facilities," with respect to the Naval Station, Newport, R. I., strike out "$11,672,000" and insert in place thereof "$14,601,000."

(2) Under the subheading "aviation facilities (Naval Air Training Station)," with respect to the Naval Auxiliary Air Station, Chase Field, Tex., strike out "$2,247,000" and insert in place thereof "$2,569,000"; and with respect to the Naval Auxiliary Air Station, Meridian, Miss., strike out $8,231,000" and insert in place thereof "$9,141,000."

(3) Under the subheading "Aviation Facilities (Marine Corps Air Stations)," with respect to the Marine Corps Air Station, Cherry Point, N. C., strike out "$170,000" and insert in place thereof "$273,000."

(4) Under the subheading "Service School Facilities," with respect to the Fleet Air Defense Training Center, Dam Neck, Va., strike out "$237,000" and insert in place thereof "$300,000," and with respect to the Naval Training Center, Great Lakes, Ill., strike out "$8,413,000" and insert in place thereof "$10,613,000."

(5) Under the subheading "Medical Facilities," with respect to the Naval Hospital, Great Lakes, Ill., strike out "$12,730,000" and insert in place thereof "$14,754,000."

(b) Public Law 968, 84th Congress, as amended, is amended by striking out in section 203 "$85,939,000" and inserting in place thereof "$86,711,000."

(c) Public Law 968, 84th Congress, as amended, is amended by striking out in clause (2) of section 402 the amounts "$303,453,000," "$85,939,000," and "$451,393,000" and inserting respectively in place thereof "$312,004,000," "$86,711,000," and "$460,716,000."

SEC. 209. Public Law 85-241, 85th Congress, is amended under the heading "Inside the United States" in section 201 as follows:

Under the subheading "Aviation Facilities (Special Purpose Air Stations)," with respect to the Naval Air Missile Test Center, Point Mugu, Calif., insert before "$7,669,000" the words "and land acquisition,".

TITLE III

SEC. 301. The Secretary of the Air Force may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, for the following projects:

Inside the United States

Air Defense Command

Duluth Municipal Airport, Duluth, Minn.: Maintenance facilities, troop housing, utilities, and real estate, $2,649,000.

Ethan Allen Air Force Base, Winooski, Vt.: Troop housing, $990,000.

Glasglow Air Force Base, Glasgow, Mont.: Operational and training facilities, maintenance facilities, supply facilities, hospital facilities, community facilities, utilities, and real estate, $10,659,000.

Grand Forks Air Force Base, Grand Forks, N. Dak.: Maintenance facilities, supply facilities, hospital facilities, troop housing, community facilities, and utilities, $4,176,000.

K. I. Sawyer Municipal Airport, Marquette, Mich.: Operational and training facilities, maintenance facilities, supply facilities, hospital facilities, administrative facilities, troop housing, and utilities, $10,673,000.

Kingsley Field, Klamath Falls, Oreg.: Community facilities, and utilities, $229,000.

Kinross Air Force Base, Sault Sainte Marie, Mich.: Operational and training facilities, maintenance facilities, supply facilities, hospital facilities, and utilities, $9,948,000.

McChord Air Force Base, Tacoma, Wash.: Operational and training facilities, and utilities, $935,000.

Minot Air Force Base, Minot, N. Dak.: Maintenance facilities, supply facilities, administrative facilities, troop housing, community facilities, and utilities, $2,721,000.

Otis Air Force Base, Falmouth, Mass.: Operational and training facilities, maintenance facilities, troop housing and utilities, $3,689,000.

Oxnard Air Force Base, Camarillo, Calif.: Medical facilities, $122,000.

Richards-Gebaur Air Force Base, Kansas City, Mo.: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, and real estate, $2,799,000.

Selfridge Air Force Base, Mount Clemens, Mich.: Operational and training facilities, maintenance facilities, and utilities and ground improvements, $3,579,000.

Suffolk County Air Force Base, Westhampton Beach, N. Y.: Maintenance facilities, $86,000.

Truax Field, Madison, Wis.: Troop housing, and ground improvements, $795,000.

Tyndall Air Force Base, Panama City, Fla.: Operational and training facilities, maintenance facilities, and utilities, $3,992,000.

Wurtsmith Air Force Base, Oscoda, Mich.: Operational and training facilities, maintenance facilities, supply facilities, hospital facilities, community facilities, and utilities, $8,696,000.

Air Materiel Command

Brookley Air Force Base, Mobile, Ala.: Maintenance facilities, and supply facilities, $975,000.

Griffiss Air Force Base, Rome, N. Y.: Operational and training facilities, supply facilities, and real estate, $1,177,000.

Hill Air Force Base, Ogden, Utah: Operational and training facilities, maintenance facilities, and troop housing, $1,746,000.

Kelly Air Force Base, San Antonio, Tex.: Utilities, $157,000.

Marietta Air Force Station, Marietta, Pa.: Supply facilities, $94,000.

McClellan Air Force Base, Sacramento, Calif.: Operational and training facilities, maintenance facilities, supply facilities, medical facilities, and troop housing, $1,560,000.

Memphis General Depot, Memphis, Tenn.: Administrative facilities, $1,464,000.

Norton Air Force Base, San Bernardino, Calif.: Supply facilities, $658,000.

Olmsted Air Force Base, Middletown, Pa.: Operational and training facilities, maintenance facilities, medical facilities, administrative facilities, troop housing, community facilities, utilities, and real estate, $61,169,000.

Robins Air Force Base, Macon, Ga.: Operational and training facilities, maintenance facilities, supply facilities, and utilities, $4,362,000.

Tinker Air Force Base, Oklahoma City, Okla.: Operational and training facilities, maintenance facilities, troop housing, and community facilities, $5,196,000.

Wright-Patterson Air Force Base, Dayton, Ohio: Operational and training facilities, maintenance facilities, research, development, and test facilities, supply facilities, and medical facilities, $11,037,000.

Air Research and Development Command

Edwards Air Force Base, Muroc, Calif.: Research, development, and test facilities, and utilities, $981,000.

Eglin Air Force Base, Valparaiso, Fla.: Operational and training facilities, maintenance facilities, research, development, and test facilities, supply facilities, utilities, and real estate, $10,109,000.

Holloman Air Force Base, Alamogordo, N. Mex.: Maintenance facilities, supply facilities, troop housing, utilities, and real estate, $1,650,000.

Kirtland Air Force Base, Albuquerque, N. Mex.: Supply facilities, and utilities, $481,000.

Laurence G. Hanscom Field, Bedford, Mass.: Maintenance facilities, $165,000.

Patrick Air Force Base, Cocoa, Fla.: Operational and training facilities, maintenance facilities, troop housing, and community facilities, $2,884,000.

School of Aviation Medicine

School of Aviation Medicine, Brooks Air Force Base, San Antonio, Tex.: Operational and training facilities, research, development, and test facilities, supply facilities, hospital and medical facilities, administrative facilities, troop housing, community facilities, utilities, and ground improvements, $12,000,000.

Air Training Command

Amarillo Air Force Base, Amarillo, Tex.: Operational and training facilities, community facilities, and utilities, $979,000.

Bergstrom Air Force Base, Austin, Tex.: Operational and training facilities, maintenance facilities, supply facilities, utilities, and real estate, $1,584,000.

Chanute Air Force Base, Rantoul, Ill.: Troop housing, $640,000.

Craig Air Force Base, Selma, Ala.: Troop housing, $400,000.

Greenville Air Force Base, Greenville, Miss.: Operational and training facilities, and real estate, $208,000.

James Connally Air Force Base, Waco, Tex.: Troop housing, $750,000.

Luke Air Force Base, Phoeniz, Ariz.: Maintenance facilities, and utilities, $441,000.

Mather Air Force Base, Sacramento, Calif.: Operational and training facilities, supply facilities, and utilities, $1,213,000.

McConnell Air Force Base, Wichita, Kans.: Operational and training facilities, $2,119,000.

Moody Air Force Base, Valdosta, Ga.: Operational and training facilities, $5,432,000.

Nellis Air Force Base, Las Vegas, Nev.: Maintenance facilities, $358,000.

Perrin Air Force Base, Sherman, Tex.: Maintenance facilities, $319,000.

Randolph Air Force Base, San Antonio, Tex.: Operational and training facilities, and utilities, $245,000.

Sheppard Air Force Base, Wichita Falls, Tex.: Operational and training facilities, maintenance facilities, troop housing, community facilities, and utilities, $2,051,000.

Stead Air Force Base, Reno, Nev.: Supply facilities, administrative facilities, and community facilities, $571,000.

Vance Air Force Base, Enid, Okla.: Operational and training facilities, and maintenance facilities, $1,770,000.

Webb Air Force Base, Big Spring, Tex.: Operational and training facilities, maintenance facilities, utilities and ground improvements, and real estate, $3,081,000.

Williams Air Force Base, Chandler, Ariz.: Operational and training facilities, and maintenance facilities, $1,361,000.

Continental Air Command

Brooks Air Force Base, San Antonio, Tex.: Troop housing, $1,805,000.

Clinton County Air Force Base, Wilmington, Ohio: Operational and training facilities, maintenance facilities, supply facilities, and administrative facilities, troop housing, community facilities, and utilities, $11,589,000.

Dobbins Air Force Base, Marietta, Ga.: Utilities, $172,000.

Headquarters Command

Andrews Air Force Base, Camp Springs, Md. Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, and utilities, $18,937,000.

Military Air Transport Service

Donaldson Air Force Base, Greenville, S. C. Maintenance facilities, $78,000.

Dover Air Force Base, Dover, Del.: Operational and training facilities, maintenance facilities, and utilities, $2,874,000.

McGuire Air Force Base, Wrightstown, N. J.: Operational and training facilities, maintenance facilities, troop housing, and utilities, $3,901,000.

Scott Air Force Base, Belleville, Ill.: Troop housing, $423,000.

Strategic Air Command

Altus Air Force Base, Altus, Okla.: Operational and training facilities, supply facilities, utilities, and real estate, $4,051,000.

Barksdale Air Force Base, Shreveport, La.: Operational and training facilities, troop housing, and utilities, $3,355,000.

Beale Air Force Base, Marysville, Calif.: Operational and training facilities, maintenance facilities, supply facilities, hospital facilities, administrative facilities, community facilities, and utilities, $7,868,000.

Biggs Air Force Base, El Paso, Tex.: Operational and training facilities, supply facilities, troop housing, and utilities, $5,080,000.

Blytheville Air Force Base, Blytheville, Ark.: Operational and training facilities, and utilities, $1,654,000.

Brunswick Naval Air Station, Brunswick, Maine: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, troop housing, community facilities, and utilities, $11,417,000.

Bunker Hill Air Force Base, Peru, Ind.: Operational and training facilities, maintenance facilities, troop housing, and utilities, $7,996,000.

Carswell Air Force Base, Fort Worth, Tex.: Operational and training facilities, and supply facilities, $2,257,000.

Castle Air Force Base, Merced, Calif.: Operational and training facilities, troop housing, utilities, and real estate, $4,183,000.

Clinton-Sherman Air Force Base, Clinton, Okla.: Operational and training facilities, maintenance facilities, supply facilities, community facilities, and utilities, $2,734,000.

Columbus Air Force Base, Columbus, Miss.: Operational and training facilities, supply facilities, and utilities, $1,939,000.

Davis-Monthan Air Force Base, Tucson, Ariz.: Operational and training facilities, maintenance facilities, supply facilities, utilities, and real estate, $4,174,000.

Dow Air Force Base, Bangor, Maine: Operational and training facilities, maintenance facilities, supply facilities, troop housing, and utilities, $2,404,000.

Dyess Air Force Base, Abilene, Tex.: Operational and training facilities, and supply facilities, $1,346,000.

Ellsworth Air Force Base, Rapid City, S. Dak.: Operational and training facilities, maintenance facilities, community facilities, and utilities, $2,931,000.

Fairchild Air Force Base, Spokane, Wash.: Operational and training facilities, and utilities, $4,094,000.

Forbes Air Force Base, Topeka, Kans.: Operational and training facilities, supply facilities, community facilities, and utilities, $2,703,000.

Homestead Air Force Base, Homestead, Fla.: Operational and training facilities, supply facilities, and utilities and ground improvements, $1,489,000.

Hunter Air Force Base, Savannah, Ga.: Operational and training facilities, supply facilities, and utilities, $4,493,000.

Lake Charles Air Force Base, Lake Charles, La.: Operational and training facilities, and supply facilities, $3,401,000.

Larson Air Force Base, Moses Lake, Wash.: Operational and training facilities, maintenance facilities, supply facilities, and utilities, $3,795,000.

Laughlin Air Force Base, Del Rio, Tex.: Operational and training facilities, maintenance facilities, and community facilities, $897,000.

Lincoln Air Force Base, Lincoln, Nebr.: Operational and training facilities, maintenance facilities, supply facilities, and utilities, $4,250,000.

Little Rock Air Force Base, Little Rock, Ark.: Operational and training facilities, supply facilities, and utilities, $3,463,000.

Lockbourne Air Force Base, Columbus, Ohio: Operational and training facilities, supply facilities, and real estate, $11,716,000.

Loring Air Force Base, Limestone, Maine: Operational and training facilities, and utilities, $3,774,000.

MacDill Air Force Base, Tampa, Fla.: Operational and training facilities, supply facilities, and utilities, $3,577,000.

Malmstrom Air Force Base, Great Falls, Mont.: Operational and training facilities, maintenance facilities, supply facilities, troop housing, and utilities, $1,832,000.

March Air Force Base, Riverside, Calif.: Operational and training facilities, supply facilities, utilities, and real estate, $3,344,000.

McCoy Air Force Base, Orlando, Fla.: Operational and training facilities, supply facilities, utilities, and real estate, $5,137,000.

Mountain Home Air Force Base, Mountain Home, Idaho: Operational and training facilities, supply facilities, and community facilities, $1,039,000.

Offutt Air Force Base, Omaha, Nebr.: Operational and training facilities, supply facilities, and real estate, $3,265,000.

Pease Air Force Base, Portsmouth, N. H.: Operational and training facilities, and supply facilities, $940,000.

Plattsburgh Air Force Base, Plattsburgh, N. Y.: Supply facilities, and utilities, $208,000.

Richard Bong Air Force Base, Kansasville, Wis.: Operational and training facilities, maintenance facilities, supply facilities, hospital facilities, troop housing, and community facilities, $15,552,000.

Schilling Air Force Base, Salina, Kans.: Operational and training facilities, supply facilities, and utilities, $2,352,000.

Travis Air Force Base, Fairfield, Calif.: Operational and training facilities, supply facilities, and utilities, $2,997,000.

Walker Air Force Base, Roswell, N. Mex.: Operational and training facilities, supply facilities, community facilities, and utilities, $8,431,000.

Westover Air Force Base, Chicopee Falls, Mass.: Troop housing, $945,000.

Whiteman Air Force Base, Knob Noster, Mo.: Operational and training facilities, supply facilities, utilities, and real estate, $5,185,000.

Tactical Air Command

George Air Force Base, Victorville, Calif.: Maintenance facilities, $536,000.

Langley Air Force Base, Hampton, Va.: Maintenance facilities, supply facilities, and utilities, $1,371,000.

Myrtle Beach Air Force Base, Myrtle Beach, S. C.: Operational and training facilities, maintenance facilities, troop housing, and community facilities, $1,650,000.

Sewart Air Force Base, Smyrna, Tenn.: Troop housing, $591,000.

Seymour-Johnson Air Force Base, Goldsboro, N. C.: Operational and training facilities, supply facilities, troop housing, and utilities, $4,707,000.

Shaw Air Force Base, Sumter, S. C.: Operational and training facilities, and maintenance facilities, $1,339,000.

Turner Air Force Base, Albany, Ga.: Operational and training facilities, maintenance facilities, supply facilities, troop housing, community facilities, utilities, and real estate, $5,474,000.

Special facilities

Various locations: Operational and training facilities, $563,000.

Aircraft control and warning system

Various locations: Operational and training facilities, maintenance facilities, supply facilities, medical facilities, administrative facilities, family housing, troop housing, community facilities, utilities, and real estate, $169,833,000.

Outside the United States

Air Materiel Command

Various locations: Supply facilities, and utilities, $696,000.

Alaskan Air Command

Eielson Air Force Base: Operational and training facilities, $380,000.

Elmendorf Air Force Base: Operational and training facilities, $710,000.

King Salmon Airport: Operational and training facilities, $340,000.

Various locations: Operational and training facilities, maintenance facilities, supply facilities, medical facilities, administrative facilities, troop housing, community facilities, utilities and ground improvements, and real estate, $24,986,000.

Caribbean Air Command

Howard Air Force Base, C. Z.: Operational and training facilities, $1,540,000.

Military Air Transport Service

Various locations: Maintenance facilities, supply facilities, community facilities, and utilities, $5,347,000.

Pacific Air Forces

Hickam Air Force Base, Honolulu, T. H.: Operational and training facilities, and supply facilities, $144,000.

Midway Island: Supply facilities, $839,000.

Various locations: Operational and training facilities, maintenance facilities, supply facilities, troop housing, community facilities, and utilities, $15,688,000.

Strategic Air Command

Andersen Air Force Base, Guam: Operational and training facilities, maintenance facilities, and supply facilities, $1,508,000.

Ramey Air Force Base, P. R.: Operational and training facilities, maintenance facilities, and supply facilities, $643,000.

Various locations: Operational and training facilities, maintenance facilities, supply facilities, family housing, troop housing, community facilities, and utilities, $21,431,000.

United States Air Forces in Europe

Various locations: Operational and training facilities, maintenance facilities, supply facilities, medical facilities, administrative facilities, family housing, troop housing, community facilities, and utilities, $19,952,000.

Aircraft control and warning system

Various locations: Operational and training facilities, maintenance facilities, supply facilities, medical facilities, administrative facilities, family housing, troop housing, community facilities, and utilities, $29,135,000.

Special facilities

Various locations: Operational and training facilities, $315,000.

SEC. 302. The Secretary of the Air Force may establish or develop classified military installations and facilities for ballistic and strategic missiles by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $195,500,000.

SEC. 303. The Secretary of the Air Force may establish or develop Air Force installations and facilities by proceeding with construction made necessary by changes in Air Force missions, new weapons developments, new and unforeseen research and development requirements, or improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next military construction authorization act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $25 million: *Provided*, That the Secretary of the Air Force, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto.

SEC. 304. (a) In accordance with the provisions of section 407 of the act of September 1, 1954 (68 Stat. 1119, 1125), as amended, and subject to the provisions of section 513 of this act, the Secretary of the Air Force is authorized to construct, or acquire by lease or otherwise, family housing for occupancy as public quarters and community facilities at the following locations by utilizing foreign currencies acquired pursuant to the provisions of the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 454), or through other commodity transactions of the Commodity Credit Corporation:

Lajes Field, Azores, 306 units.
Kindley Air Force Base, Bermuda, 300 units.
Laon, France, 102 units.
Keflavik Airport, Iceland, 300 units.
Benguerir Airport, Morocco, 248 units.
Sidi Slimane Air Base, Morocco, 295 units.
Clark Air Force Base, Philippines, 900 units.
Kadena Air Base, Okinawa, 200 units.
Madrid-Torrejon area, Spain, 460 units.
Moron-San Pablo area, Spain, 40 units.
Various locations, Spain, 120 units, and community facilities.
Zaragoza Air Base, Spain, 176 units.
Alconbury RAF Station, United Kingdom, 50 units.
Bentwaters RAF Station, United Kingdom, 190 units.
Bruntingthorpe RAF Station, United Kingdom, 93 units.
Brize Norton RAF Station, United Kingdom, 215 units.
Chelveston RAF Station, United Kingdom, 79 units.
Chicksands Priory RAF Station, United Kingdom, 83 units.
Fairford RAF Station, United Kingdom, 177 units.
High Wycombe RAF Station, United Kingdom, 110 units.
Lakenheath-Mildenhall area, United Kingdom, 55 units, and community facilities.
Stansted-Mountfitchet RAF Station, United Kingdom, 22 units.
Upper Heyford RAF Station, United Kingdom, 259 units.
Wethersfield, RAF Station, United Kingdom, 416 units.

(b) In accordance with the provisions of title IV of the Housing Amendments of 1955 (69 Stat. 646), as amended, the Secretary of the Air Force is authorized to construct family housing for occupancy as public quarters at the following locations:

Inside the United States

Camp Adair Air Force Station, Oreg., 150 units.
Amarillo Air Force Base, Tex., 500 units.
Beale Air Force Base, Calif., 970 units.
Bunker Hill Air Force Base, Ind., 250 units.
Chanute Air Force Base, Ill., 450 units.
Clinton County Air Force Base, Ohio, 536 units.
Clinton-Sherman Air Force Base, Okla., 50 units.
Custer Air Force Station, Mich., 169 units.
Donaldson Air Force Base, S. C., 275 units.
Cooke Air Force Base, Calif., 525 units.
Dover Air Force Base, Del., 500 units.
Dow Air Force Base, Maine, 530 units.
Duluth Municipal Airport, Minn., 365 units.
Edwards Air Force Base, Calif., 778 units.
Ellsworth Air Force Base, S. Dak., 220 units.
Forbes Air Force Base, Kans., 414 units.
Fort Lee Air Force Station, Va., 154 units.
Geiger Field, Wash., 168 units.
Glasgow Air Force Base, Mont., 460 units.
Grand Forks Air Force Base, N. Dak., 744 units.
Griffiss Air Force Base, N. Y., 270 units.
Hamilton Air Force Base, Calif., 550 units.
Holloman Air Force Base, N. Mex., 400 units.
James Connally Air Force Base, Tex., 366 units.
Keesler Air Force Base, Miss., 290 units.
Kinross Air Force Base, Mich., 475 units.
K. I. Sawyer Airport, Mich., 595 units.
Kirtland Air Force Base, N. Mex., 490 units.
Lake Charles Air Force Base, La., 300 units.
Langley Air Force Base, Va., 500 units.
Larson Air Force Base, Wash., 200 units.
Lockbourne Air Force Base, Ohio, 400 units.
Malmstrom Air Force Base, Mont., 150 units.
Mather Air Force Base, Calif., 220 units.
McChord Air Force Base, Wash., 1,000 units.
McClellan Air Force Base, Calif., 540 units.
McCoy Air Force Base, Fla., 668 units.
McGuire Air Force Base, N. J., 1,450 units.
Minot Air Force Base, N. Dak., 932 units.
Mountain Home Air Force Base, Idaho, 270 units.
Nellis Air Force Base, Nev., 200 units.
Niagara Falls Municipal Airport, N. Y., 290 units.
Offutt Air Force Base, Nebr., 616 units.
Oxnard Air Force Base, Calif., 315 units.
Pease Air Force Base, N. H., 483 units.
Presque Isle Air Force Base, Maine, 114 units.
Richard Bong Air Force Base, Wis., 900 units.
Richards-Gebaur Air Force Base, Mo., 610 units.
Robins Air Force Base, Ga., 150 units.
Selfridge Air Force Base, Mich., 580 units.
Sheppard Air Force Base, Tex., 500 units.
Sioux City Municipal Airport, Iowa, 325 units.
Stewart Air Force Base, N. Y., 300 units.
Suffolk County Air Force Base, N. Y., 220 units.
Syracuse Air Force Station, N. Y., 216 units.
Topsham Air Force Station, Maine, 177 units.
Truax Field, Wis., 280 units.
Turner Air Force Base, Ga., 200 units.
United States Air Force Academy, Colo., 300 units.
Vance Air Force Base, Okla., 230 units.
Westover Air Force Base, Mass., 310 units.
Whiteman Air Force Base, Mo., 154 units.
Williams Air Force Base, Ariz., 150 units.
Wurtsmith Air Force Base, Mich., 618 units.

Outside the United States

Andersen Air Force Base, Guam, 1,050 units.
Hickam Air Force Base, Hawaii, 600 units.

(c) In accordance with the provisions of section 404 (a) of the Housing Amendments of 1955 (69 Stat. 652), as amended, the Secretary of the Air Force is authorized to acquire family housing at the following locations:

Brookley Air Force Base, Ala., 175 units.
Carswell Air Force Base, Tex., 600 units.
Craig Air Force Base, Ala., 225 units.
Davis-Monthan Air Force Base, Ariz., 550 units.
Francis E. Warren Air Force Base, Wyo., 500 units.
Hunter Air Force Base, Ga., 500 units.
Kelly Air Force Base, Tex., 592 units.
Lowry Air Force Base, Colo., 480 units.
March Air Force Base, Calif., 644 units.
Maxwell Air Force Base, Ala., 250 units.
Mitchel Air Force Base, N. Y., 628 units.
Randolph Air Force Base, Tex., 612 units.
Reese Air Force Base, Tex., 418 units.
Shaw Air Force Base, S. C., 400 units.
Walker Air Force Base, N. Mex., 800 units.
Wright-Patterson Air Force Base, Ohio, 2,000 units.

SEC. 305. (a) Public Law 161, 84th Congress, as amended, is amended, under the heading "Continental United States" in section 301 as follows:

Under the subheading "Air Defense Command," with respect to Otis Air Force Base, Falmouth, Mass., strike out "$6,076,000," and insert in place thereof "$6,522,000."

Under the subheading "Air Materiel Command," with respect to Wright-Patterson Air Force Base, Dayton, Ohio, strike out "$14,508,000" and insert in place thereof "$15,800,000."

(b) Public Law 161, 84th Congress, as amended, is amended by striking out in clause (3) of section 502 the amounts "$824,300,000" and "$1,363,189,000" and inserting in place thereof "$826,038,000" and "$1,364,927,000," respectively.

SEC. 306. (a) Public Law 968, 84th Congress, as amended, is amended, under the heading "Inside the United States" in section 301, as follows:

Under the subheading "Air Defense Command"—

(1) with respect to Duluth Municipal Airport, Duluth, Minn., strike out "$1,469,000" and insert in place thereof "$1,636,000."

(2) with respect to Otis Air Force Base, Falmouth, Mass., strike out "$11,577,000" and insert in place thereof "$13,341,000."

Under the subheading "Air Materiel Command," with respect to Hill Air Force Base, Ogden, Utah, strike out "$1,339,000" and insert in place thereof "$1,661,000."

Under the subheading "Air Training Command," with respect to James Connally Air Force Base, Waco, Tex., strike out "$4,687,000" and insert in place thereof "$5,301,000."

Under the subheading "Strategic Air Command" with respect to Malmstrom Air Force Base, Great Falls, Mont., strike out "$1,586,000" and insert in place thereof "$1,726,000."

(b) Public Law 968, 84th Congress, as amended, is amended by striking out in clause (3) of section 402 the amounts "$811,342,000" and "$1,447,950,000" and inserting in place thereof "$814,349,000" and "$1,450,957,000", respectively.

SEC. 307. (a) Public Law 85–241, 85th Congress, is amended, under the heading "Inside the United States" in section 301, as follows:

Under the subheading "Air Defense Command"—

(1) with respect to Glasgow Air Force Base, Glasgow, Mont., strike out "$2,048,000" and insert in place thereof "$2,390,000."

(2) with respect to Grandview Air Force Base, Kansas City, Mo., strike out "$1,100,000" and insert in place thereof "$1,348,000."

(3) with respect to Minot Air Force Base, Minot, N. Dak., strike out "$6,804,000" and insert in place thereof "$8,507,000."

(4) with respect to Otis Air Force Base, Falmouth, Mass., strike out "$559,000" and insert in place thereof "$615,000."

Under the subheading "Air Materiel Command," with respect to Kelly Air Force Base, San Antonio, Tex., strike out "$899,000" and insert in place thereof "$1,128,000."

Under the subheading "Air Training Command," with respect to Perrin Air Force Base, Sherman, Tex., strike out "$460,000" and insert in place thereof "$637,000."

Under the subheading "Strategic Air Command"—

(1) with respect to Barksdale Air Force Base, Shreveport, La., strike out "$3,344,000" and insert in place thereof "$3,633,000."

(2) with respect Beale Air Force Base, Marysville, Calif., strike out "$7,458,000" and insert in place thereof "$9,087,000."

(3) with respect to MacDill Air Force Base, Tampa, Fla., strike out "$936,000" and insert in place thereof "$1,268,000."

(4) with respect to Portsmouth Air Force Base, Portsmouth, N. H., strike out "$2,344,000" and insert in place thereof "$2,947,000."

(5) with respect to Whiteman Air Force Base, Knob Noster, Mo., strike out "$235,000" and insert in place thereof "$306,000."

(b) Public Law 85–241, 85th Congress, is amended by striking out in clause (3) of section 502 the amounts "$394,076,000" and "$601,781,000" and inserting in place thereof "$399,755,000" and "$607,460,000," respectively.

SEC. 308. (a) Public Law 85–325, 85th Congress, is amended, under the heading

"Alert and Dispersal of Strategic Air Command Forces" in section 1, as follows:

(1) with respect to Grand Forks Air Force Base, Grand Forks, N. Dak., strike out "$895,000" and insert in place thereof "$1,892,000."

(2) with respect to Minot Air Force Base, Minot, N. Dak., strike out "$867,000" and insert in place thereof "$1,479,000."

(3) with respect to Mountain Home Air Force Base, Mountain Home, Idaho, strike out "$4,380,000" and insert in place thereof "$5,479,000."

(4) With respect to Offutt Air Force Base, Omaha, Nebr., strike out "$690,000" and insert in place thereof "$969,000."

(b) Public Law 85–325, 85th Congress, is amended by striking out in section 3 the amount "$549,670,000" and inserting in place thereof "$552,657,000."

SEC. 309. Section 9 of the Air Force Academy Act, as amended (68 Stat. 49), is further amended by striking out in the first sentence the figure "$135,425,000" and inserting in place thereof the figure "$139,797,000."

SEC. 310. The last paragraph under the heading "Research and Development Command" in title III of Public Law 161, 84th Congress (69 Stat. 342), is amended to read as follows:

"Various locations: Research, development, and operational facilities (including not more than $357,000 for an off-base roadway approximately 10 miles in length in the vicinity of the north boundary of Cape Canaveral—an auxiliary to Patrick Air Force Base) $20,000,000."

The amendment made by this section is effective from March 1, 1956.

TITLE IV

SEC. 401. The Secretary of Defense may establish or develop installations and facilities required for advanced research projects and in connection therewith may acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities and equipment, in the total amount of $50,000,000.

SEC. 402. The Secretary of Defense or his designee may establish or develop classified installations and facilities for defense missiles by acquiring, constructing, converting, rehabilitating or installing permanent or temporary works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $183,401,000.

SEC. 403. The Secretary of Defense shall report in detail semiannually to the President of the Senate and to the Speaker of the House of Representatives with respect to the exercise of the authority granted by this title.

TITLE V

General provisions

SEC. 501. The Secretary of Defense and the Secretary of each military department may proceed to establish or develop installations and facilities under this act without regard to sections 3648 and 3734 of the Revised Statutes, as amended (31 U. S. C. 529, 40 U. S. C. 259, 267), and sections 4774 (d) and 9774 (d) of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U. S. C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

SEC. 502. There are authorized to be appropriated such sums as may be necessary for the purposes of this act, but appropriations for public works projects authorized by titles I, II, III, and IV shall not exceed—

(1) for title I: Inside the United States, $104,325,000; outside the United States, $8,732,000; section 102, $63,906,000; section 103, $25 million; or a total of $201,963,000.

(2) for title II: Inside the United States, $216,309,000; outside the United States, $16,384,000; section 202, $66,194,000; section 203, $25 million; or a total of $323,887,000.

(3) for title III: Inside the United States, $541,236,000; outside the United States, $123,654,000; section 302, $195,500,000; section 303, $25 million; or a total of $885,390,000.

(4) for title IV: $233,401,000.

SEC. 503. Any of the amounts named in titles I, II, and III of this act may, in the discretion of the Secretary concerned, be increased by 5 percent for projects inside the United States and by 10 percent for projects outside the United States. However, the total cost of all projects in each such title may not be more than the total amount authorized to be appropriated for projects in that title.

SEC. 504. Any outstanding authority heretofore provided by the act of September 1, 1954 (68 Stat. 1119), the act of July 15, 1955 (69 Stat. 324), and the act of August 3, 1956 (70 Stat. 991), for the provision of family housing shall be available for the construction of family housing at any installations for which appropriated fund family housing is authorized to be constructed under titles I and III of this act.

SEC. 505. Whenever—

(1) the President determines that compliance with section 2313 (b) of title 10, United States Code, for contracts made under this act for the establishment or development of military installations and facilities in foreign countries would interfere with the carrying out of this act; and

(2) the Secretary of Defense and the Comptroller General have agreed upon alternative methods of adequately auditing those contracts; the President may exempt those contracts from the requirements of that section.

SEC. 506. Contracts made by the United States under this act shall be executed under the jurisdiction and supervision of the Corps of Engineers, Department of the Army or the Bureau of Yards and Docks, Department of the Navy, unless the Secretary of Defense determines that because of special circumstances such contracts should be executed under the jurisdiction and supervision of another department or Government agency, and shall be awarded, insofar as practicable, on a competitive basis to the lowest responsible bidder, if the national security will not be impaired and the award is consistent with chapter 137 of title 10, United States Code, and section 15 of the act of August 9, 1955 (69 Stat. 547, 551). The Secretary of Defense and the Secretaries of the military departments shall report semiannually to the President of the Senate and the Speaker of the House of Representatives with respect to all contracts awarded on other than a competitive basis to the lowest responsible bidder.

SEC. 507. As of July 1, 1959, all authorization for military public works to be accomplished by the Secretary of a military department in connection with the establishment or development of military installations and facilities, and all authorizations for appropriations therefor, that are contained in acts approved before August 4, 1956, and not superseded or otherwise modified by a later authorization are repealed, except—

(1) authorizations for public works and for appropriations therefor that are set forth in those acts in the titles that contain the general provisions;

(2) the authorization for public works projects as to which appropriated funds have been obligated for construction contracts or land acquisitions in whole or in part before July 1, 1959, and authorizations for appropriations therefor;

(3) the authorizations for public works and the appropriation of funds that are contained in sections 2231–2238 of title 10, United States Code, as amended (50 U. S. C. 882, 883, 885, 886);

(4) the authorization for the development of the Line of Communications, France, in the amount of $30 million that is contained in title I, section 102, of the act of July 14, 1952 (66 Stat. 606, 609);

(5) the authorization for development of classified facilities in the amount of $6,439,000 that is contained in title I, section 102, of the act of September 28, 1951 (65 Stat. 336, 343);

(6) the authorization for public works and for the appropriation of funds that are contained in the act of April 1, 1954 (68 Stat. 47), as amended; and

(7) notwithstanding the provision of section 506 of the act of August 30, 1957 (71 Stat. 531, 558), the authorization for:

(a) jet engine test cells in the amount of $1,850,000 at the Naval Air Station, Norfolk, Va., that is contained in title II, section 201 under the heading "Continental United States" and subheading "Aviation Facilities" of the act of August 7, 1953 (67 Stat. 440, 442), as amended;

(b) ammunition storage facilities in the amount of $225,000 at the Naval Auxiliary Air Station, El Centro, Calif.; navigational aids in the amount of $590,000 at the Marine Corps Air Station, El Toro, Calif.; research and development facilities in the amount of $1,804,000 at the Naval Air Turbine Test Station, Trenton, N. J.; and navigational aids in the amount of $400,000 at the Naval Air Station, Whidbey Island, Wash.: that are contained in title II, section 201, under the heading "Continental United States" and subheading "Aviation Facilities" of the act of July 27, 1954 (68 Stat. 535, 540), as amended;

(c) the development of aviation ordnance facilities in the amount of $2,638,000 that is contained in title II, section 202, of the act of July 27, 1954 (68 Stat. 535, 543), as amended.

SEC. 508. Section 408 (b) of the act of June 17, 1950 (64 Stat. 236, 245), is hereby repealed.

SEC. 509. Section 515 of the act of July 15, 1955 (69 Stat. 324, 352), as amended, is further amended to read as follows:

"SEC. 515. During fiscal years 1958 through and including 1961, the Secretaries of the Army, Navy, and Air Force, respectively, are authorized to lease housing facilities at or near military tactical installations for assignment as public quarters to military personnel and their dependents, if any, without rental charge upon a determination by the Secretary of Defense, or his designee, that there is a lack of adequate housing facilities at or near such military tactical installations. Such housing facilities shall be leased on a family or individual unit basis and not more than 5,000 of such units may be so leased at any one time. Expenditures for the rental of such housing facilities may be made out of appropriations available for maintenance and operation but may not exceed $150 a month for any such unit."

SEC. 510. Section 406 of the act of August 3, 1956 (70 Stat. 991, 1015), is amended to read as follows:

"SEC. 406. (a) The Secretary of a military department may acquire any interest in land that—

"(1) he or his designee determines is needed in the interest of national defense; and

"(2) does not cost more than $25,000 (exclusive of administrative costs and the amounts of any deficiency judgments).

This section does not authorize the acquisition, as part of the same project, of two

or more contiguous parcels of land that together cost more than $25,000."

SEC. 511. Section 408 (a) of the act of August 3, 1956 (70 Stat. 991, 1016), is amended by adding the following new subsection at the end thereof:

"(5) No determination that a project is urgently required shall be necessary for projects, the cost of which is not in excess of $5,000."

SEC. 512. Subsection (a) of section 406 of the act of August 30, 1957 (71 Stat. 531, 556), is amended to read as follows:

"(a) Notwithstanding the provisions of any other law, and effective July 1, 1958, no family housing units shall be contracted for or acquired at or in support of military installations or activities unless the actual number of units involved has been specifically authorized by an annual military construction authorization act except (1) housing units acquired pursuant to the provisions of section 404 of the Housing Amendments of 1955; (2) housing units leased, utilizing available operation and maintenance appropriations, for terms of 1 year, whether renewable or not, or for terms of not more than 5 years pursuant to the provisions of section 417 of the act of August 3, 1956 (70 Stat. 991, 1018)."

SEC. 513. (a) Notwithstanding the authorizations for the construction of family housing contained in subsections 104 (a), 204 (a), and 304 (a) of this act, the total number of units of family housing constructed during fiscal year 1959 pursuant to the authority contained in such subsections shall not exceed a total of 4,000 units. The Secretary of Defense shall determine the total number of units to be constructed by each of the military services in conformity with the provisions of this subsection.

(b) Notwithstanding the authorizations for the construction of family housing contained in subsections 104 (b), 204 (b), and 304 (b) of this act, the total number of units of family housing constructed during fiscal year 1959 pursuant to the authority contained in such subsections shall not exceed a total of 30,000 units. The Secretary of Defense shall determine the total number of units to be constructed by each of the military services in conformity with the provisions of this subsection. The Secretaries of the three military departments, or the designee of each, shall promptly notify the Committees on Armed Services of the Senate and House of Representatives of any determination made hereunder as it affects each such department.

(c) To the extent that any of the authorizations contained in subsections 104 (b), 204 (b), and 304 (b) of this act to construct housing at locations specified therein are not utilized, such authorizations may be exercised to construct housing at other locations, except that (1) the total number of housing units to be constructed under the authority of this subsection by any service shall not exceed 10 percent of the total number of units authorized to be constructed by that service under subsections 104 (b), 204 (b), or 304 (b), as the case may be, and (2) the total number of units constructed by the three services pursuant to this authority shall not, when added to the total number of units constructed pursuant to the authority contained in subsections 104 (b), 204 (b), and 304 (b), exceed the total number of units authorized to be constructed by subsection (b) hereof.

(d) (1) Section 404 (c) of the Housing Amendments of 1955, as amended, is amended to read as follows:

"(c) (1) Condemnation proceedings instituted pursuant to this section shall be conducted in accordance with the provisions of the act of August 1, 1888 (25 Stat. 357; 40 U. S. C. 257), as amended, or any other applicable Federal statute. Before any such condemnation proceedings are instituted, an effort shall be made to acquire the property involved by negotiation. In any such condemnation proceedings, and in the interests of expedition, the issue of just compensation shall be determined by a commission of three qualified, disinterested persons to be appointed by the court. Any commission appointed hereunder shall give full consideration to all elements of value in accordance with existing law, and shall have the powers of a master provided in subdivision (c) of rule 53 of the Federal Rules of Civil Procedure and proceedings before it shall be governed by the provisions of paragraphs (1) and (2) of subdivision (d) of such rule. Its action and report shall be determined by a majority and its findings and report shall have the effect, and be dealt with by the court in accordance with the practice prescribed in paragraph (2) of subdivision (e) of such rule. Trial of all issues, other than just compensation, shall be by the court.

"(2) In any condemnation proceedings instituted pursuant to this section, the court shall not order the party in possession to surrender possession in advance of final judgment unless a declaration of taking has been filed, and a deposit of the amount estimated to be just compensation has been made, under the first section of the act of February 26, 1931 (46 Stat. 1421), providing for such declarations. Unless title is in dispute, the court, upon application, shall promptly pay to the owner at least 75 percent of the amount so deposited, but such payment shall be made without prejudice to any party to the proceeding. In the event that condemnation proceedings are instituted in accordance with procedures under such act of February 26, 1931, the court shall order that the amount deposited shall be paid in a lump sum or over a period not exceeding 5 years in accordance with stipulations executed by the parties in the proceedings. In connection with condemnation proceedings which do not utilize the procedures under such act, the Secretary or his designee, after final judgment of the court, may pay or agree to pay in a lump sum or, in accordance with stipulations executed by the parties to the proceedings, over a period not exceeding 5 years the difference between the outstanding principal obligation, plus accrued interest, and the price for the property fixed by the court. Unless such payment is made in a lump sum, the unpaid balance thereof shall bear interest at the rate of 4 percent per annum."

(2) The amendment made by this subsection shall be applicable to any condemnation proceedings instituted pursuant to section 404 of the housing amendments of 1055 subsequent to the date of enactment of this act.

SEC. 514. None of the authority contained in titles I, II, and III of this act shall be deemed to authorize any building construction project within the continental United States at a unit cost in excess of—

(1) $32 per square foot for cold-storage warehousing;

(2) $6 per square foot for regular warehousing;

(3) $1,850 per man for permanent barracks;

(4) $8,500 per man for bachelor officer quarters;

unless the Secretary of Defense determines that, because of special circumstances, application to such project of the limitations on unit costs contained in this section is impracticable.

SEC. 515. Titles I, II, III, IV, and V of this act may be cited as the "Military Construction Act of 1958."

SEC. 516. Section 407 (e) of Public Law 85–241, approved August 30, 1957, is amended by striking out "July 1, 1960," and inserting in lieu thereof "July 1 1962."

TITLE VI

Reserve forces facilities

SEC. 601. Title 10, United States Code, is amended as follows:

(1) That part of section 2233 (a) that precedes clause (1) thereof is amended to read as follows:

"§ 2233. Acquisition

"(a) Subject to sections 2233a, 2234, 2235, 2236, and 2238 of this title and subsection (c) of this section, the Secretary of Defense may—".

(2) Section 2233 is amended by adding the following new subsections at the end thereof:

"(e) The Secretary of Defense may procure advance planning, construction design, and architectural services in connection with facilities to be established or developed under this chapter which are not otherwise authorized by law.

"(f) Facilities authorized by subsection (a) shall not be considered 'military public works' under the provisions of the military construction authorization acts that repeal prior authorizations for military public works."

(3) The following new section is inserted after section 2233:

"§ 2233a. Limitation

"No expenditure or contribution that is more than $50,000 may be made under section 2233 of this title for any facility that has not been authorized by a law authorizing appropriations for specific facilities for reserve forces. This requirement does not apply to the following:

"(a) Facilities acquired by lease.

"(b) Facilities acquired, constructed, expanded, rehabilitated, converted, or equipped to restore or replace facilities damaged or destroyed, where the Senate and the House of Representatives have been notified of that action."

(4) The analysis of chapter 133 is amended by inserting the following new item:

"2233a. Limitation."

SEC. 602. (a) Section 3 of the National Defense Facilities Act of 1950, as amended by paragraph (a) of the act of August 9, 1955, chapter 662 (69 Stat. 593), and by section 2 of the act of August 29, 1957, Public Law 85–215 (71 Stat. 489), is amended by striking out the words "in an amount not to exceed $580 million over a period of the next 8 fiscal years commencing with fiscal year 1951,".

(b) Section 3 (a) of the National Defense Facilities Act of 1950, as amended by section 414 of the act of August 3, 1956, chapter 939 (70 Stat. 1018), is amended by striking out the words "and without regard to the monetary limitation otherwise imposed by this section."

SEC. 603. Subject to chapter 133 of title 10, United States Code, the Secretary of Defense may establish or develop the following facilities for reserve forces:

(1) For Department of the Navy:

Naval Reserve (aviation)

Naval Air Station (Dobbins Air Force Base), Atlanta, Ga.: Training facilities, $480,000.

Naval Air Station, Dallas, Tex.: Supply facilities and utilities, $259,000.

Naval Air Station, Denver, Colo.: Maintenance facilities, utilities, and land acquisition, $652,000.

Naval Air Station, Glenview, Ill.: Navigational aids and utilities, $179,000.

Naval Air Station, Grosse Ile, Mich.: Airfield lighting, $147,000.

Naval Air Station, Los Alamitos, Calif.: Operational and training facilities, liquid fueling and dispensing facilities, airfield lighting, and land acquisition, $1,992,000.

Naval Air Station, New Orleans (Alvin Callender Field), La.: Administrative facilities, community facilities, navigational aids, operational facilities, supply facilities, maintenance facilities, and land acquisition, $2,447,000.

Naval Air Station, New York, N. Y.: Airfield lighting, $130,000.

Naval Air Station, Niagara Falls, N. Y.: Operational and training facilities, and utilities, $652,000.

Naval Air Station, Olathe, Kans.: Operational and training facilities, $570,000.

Naval Air Station, South Weymouth, Mass.: Utilities, $407,000.

Naval Air Station, Willow Grove, Pa.: Utilities, $99,000.

Naval Reserve (surface)

Alameda, Calif.: Waterfront operational facilities, $128,000.

Naval Reserve Electronics Facility, Bloomington, Ind.: Training facilities, $95,000.

Naval and Marine Corps Reserve Training Center, Boston, Mass.: Training facilities, $108,000.

Naval Reserve Electronics Facility, Centralia, Wash.: Training facilities, $81,000.

Naval Reserve Electronics Facility, Chillicothe, Ohio: Training facilities, $100,000.

Naval Reserve Electronics Facility, Danville, Ky.: Training facilities, $84,000.

Naval Reserve Training Center, Dunkirk, N. Y.: Training facilities, $79,000.

Fort Schuyler, N. Y.: Waterfront operational facilities, $120,000.

Naval Reserve Electronics Facility, Hayward, Calif.: Training facilities and land acquisition, $99,000.

Naval and Marine Corps Reserve Training Center, Honolulu, Hawaii: Training facilities, $515,000.

Naval Reserve Electronics Facility, Iowa City, Iowa: Training facilities, $97,000.

Master Control Radio Station, New Orleans, La.: Communications, $210,000.

Naval Reserve Electronics Facility, Olympia (Tumwater), Wash.: Training facilities, $47,000.

Naval Reserve Training Center, Pasadena, Calif.: Training facilities, $132,000.

Naval Reserve Electronics Facility, Port Chicago, Calif.: Training facilities, $94,000.

Naval and Marine Corps Reserve Training Center, San Jose, Calif.: Land acquisition, $78,000.

Saint Petersburg, Fla.: Waterfront operational facilities, $26,000.

Naval and Marine Corps Reserve Training Center, Steubenville, Ohio: Land acquisition, $18,000.

Naval Reserve Training Center, White Oak (Lewiston), Md.: Training facilities, $557,000.

Naval Reserve Electronics Facility, Yakima, Wash.: Training facilities, $48,000.

Marine Corps Reserve (Ground)

Marine Corps Reserve Training Center, Lynchburg, Va.: Training facilities and land acquisition, $388,000.

Marine Corps Reserve Training Center, Memphis, Tenn.: Training facilities, $453,000.

Naval and Marine Corps Reserve Training Center, Moline, Ill.: Training facilities, $152,000.

Naval and Marine Corps Reserve Training Center, Pasadena, Calif.: Training facilities, $163,000.

(2) For Department of the Air Force:

Air Force Reserve

Andrews Air Force Base, Camp Springs, Md.: Operational and training facilities, $129,000.

Bakalar Air Force Base, Columbus, Ind.: Operational and training facilities, utilities and ground improvements, and land acquisition, $3,174,000.

Bates Field, Mobile, Ala.: Maintenance facility, $97,000.

Bradley Field, Windsor Locks, Conn.: Maintenance facility and utilities and ground improvements, $160,000.

Davis Field, Muskogee, Okla.: Maintenance facility, and supply facility, $325,000.

General Mitchell Field, Milwaukee, Wis.: Maintenance facility, and operational and training facilities, $173,000.

Grenier Air Force Base, Manchester, N. H.: Operational and training facilities, $180,000.

Richards-Gebaur Air Force Base, Belton, Mo.: Operational and training facilities, $101,000.

Naval Air Station (Alvin Callender Field), Orleans Parish, La.: Operational and training facilities, $622,000.

Naval Air Station, Willow Grove, Pa.: Maintenance facility, $93,000.

Air National Guard of the United States

Alpena County Airport, Alpena, Mich.: Operational and training facilities, and hospital and medical facilities, $171,000.

Barnes Field, Westfield, Mass.: Operational and training facilities, $740,000.

Bethel Air National Guard Base, Bethel, Minn.: Site improvements, $500,000.

Birmingham Municipal Airport, Birmingham, Ala.: Operational and training facilities, $150,000.

Byrd Field, Richmond, Va.: Supply facilities, $50,000.

Camp Williams, Camp Douglas, Wis.: Operational and training facilities, $579,000.

Capital Airport, Springfield, Ill.: Supply facilities, $78,000.

Des Moines Municipal Airport, Des Moines, Iowa.: Operational and training facilities, $53,000.

Geiger Field, Spokane, Wash.: Operational and training facilities, maintenance facilities, supply facilities, and utilities and ground improvements, $1,308,000.

Grenier Air Force Base, Manchester, N. H.: Operational and training facilities, $170,000.

Gulfport Municipal Airport, Gulfport, Miss.: Supply facilities, $362,000.

Hayward Municipal Airport, Hayward, Calif.: Operational and training facilities, $113,000.

Hensley Field, Grand Prairie, Tex.: Operational and training facilities, and supply facilities, $1,862,000.

Hubbard Field, Reno, Nev.: Operational and training facilities, and supply facilities, $159,000.

Kellogg Field, Battle Creek, Mich.: Operational and training facilities, maintenance facilities, and utilities and ground improvements, $1,136,000.

Kirtland Air Force Base, Albuquerque, N. Mex.: Operational and training facilities, and supply facilities, $570,000.

Martinsburg Municipal Airport, Martinsburg, W. Va.: Operational and training facilities, $123,000.

O'Hare International Airport, Chicago, Ill.: Operational and training facilities, $1,099,000.

Ontario International Airport, Ontario, Calif.: Operational and training facilities, $127,000.

Portland Municipal Airport, Portland, Oreg.: Supply facilities and maintenance facilities, $233,000.

Rosecrans Field, St. Joseph, Mo.: Operational and training facilities, and supply facilities, $123,000.

San Juan International Airport, San Juan, P. R.: Supply facilities, $70,000.

Sky Harbor Airport, Phoenix, Ariz.: Operational and training facilities, $655,000.

Standiford Field, Louisville, Ky.: Operational and training facilities, and administrative facilities, $715,000.

Theodore F. Green Airport, Providence, R. I.: Operational and training facilities, $213,000.

Travis Field, Savannah, Ga.: Housing, supply facilities and utilities, $317,000.

Various locations: Runway arrestor barriers, $300,000.

(3) For Department of the Army:

Army Reserve

Batavia, N. Y.: Training facilities, $171,000.

Beckley, W. Va.: Training facilities, $289,000.

Beloit, Wis.: Training facilities, $157,000.

Canandaigua, N. Y.: Training facilities, $171,000.

Canton, Ohio: Training facilities, $40,000.

Cheyenne, Wyo.: Training facilities, $149,000.

Durant, Okla.: Training facilities, $141,000.

Fargo, N. Dak.: Training facilities, $149,000.

Fremont, Ohio: Training facilities, $149,000.

Galesburg, Ill.: Training facilities, $157,000.

Greenwood, S. C.: Training facilities, $35,000.

Hempstead, N. Y. (Nr2): Training facilities, $536,000.

Johnstown, Pa.: Training facilities, $99,000.

Kewaunee, Wis.: Training facilities, $157,000.

Madison, Wis.: (Nr2): Training facilites, $490,000.

Oklahoma City, Okla. (Nr2): Training facilities, $443,000.

St. Marys, Ohio: Training facilities, $149,000.

St. Marys, Pa.: Training facilities, $149,000.

Salinas, Calif.: Training facilities, $164,000.

Sinton, Tex.: Training facilities, $134,000.

Stockton, Calif.: Training facilities, $164,000.

Warren, Ohio: Training facilities, $289,000.

Weirton, W. Va.: Training facilities, $149,000.

San Jose, Calif.: Road improvements, $32,000.

Land acquisition: Training facilities, $419,000.

Army National Guard of the United States (armory)

Ackerman, Miss.: Training facilities, $54,000.

Agawam, Mass.: Training facilities, $210,000.

Amarillo, Tex.: Training facilities, $231,000.

Asheville, N. C.: Training facilities, $132,000.

Ashford, Ala.: Training facilities, $70,000.

Atlanta, Ga.: Training facilities, $132,000.

Batesburg, S. C.: Training facilities, $99,000.

Batesville, Miss.: Training facilities, $54,000.

Beckley, W. Va.: Training facilities, $200,000.

Belfast, Maine: Training facilities, $75,000.

Belmont, N. C.: Training facilities, $98,000.

Belton, S. C.: Training facilities, $122,000.

Belton, Tex.: Training facilities, $86,000.

Berryville, Ark.: Training facilities, $45,000.

Berryville, Va.: Training facilities, $135,000.

Bethel, Alaska: Training facilities, $480,000.

Bethlehem, Pa.: Training facilities, $45,000.

Boston, Mass.: Training facilities, $270,000.

Bridgeport, Ala.: Training facilities, $70,000.

Brunswick, Maine: Training facilities, $75,000.

Caldwell, Ohio: Training facilities, $135,000.

Calhoun, Ga.: Training facilities, $110,000.

Camden, Tenn.: Training facilities, $91,000.

Carlisle, Pa.: Training facilities, $45,000.

Catskill, N. Y.: Training facilities, $300,000.

Chesterfield, S. C.: Training facilities, $99,000.

Chester, Pa.: Training facilities, $206,000.

Cincinnati, Ohio: Training facilities, $300,000.

Clarksburg, W. Va.: Training facilities, $189,000.

Clayton, N. Mex.: Training facilities, $57,000.

Clover, S. C.: Training facilities, $99,000.

Cody, Wyo.: Training facilities, $142,000.

Concord, N. H.: Training facilities, $375,000.

Crossville, Tenn.: Training facilities, $91,000.
Cuero, Tex.: Training facilities, $93,000.
Culver City, Calif.: Training facilities, $38,000.
Dallas No. 5, Tex.: Training facilities, $154,000.
Dayton, Tenn.: Training facilities, $91,000.
Duluth, Minn.: Training facilities, $37,000.
Eatonton, Ga.: Training facilities, $90,000.
Edna, Tex.: Training facilities, $93,000.
El Campo, Tex.: Training facilities, $104,000.
Espanolo, N. Mex.: Training facilities, $57,000.
Fairbanks, Alaska: Training facilities, $277,000.
Farmville, N. C.: Training facilities, $98,000.
Fontana, Calif.: Training facilities, $105,000.
Franklin, Tenn.: Training facilities, $91,000.
Fredericktown, Mo.: Training facilities, $135,000.
Gainesville, Fla.: Training facilities, $120,000.
Gainesville, Tex.: Training facilities, $111,000.
Gardiner, Maine: Training facilities, $75,000.
Gassaway, W. Va.: Training facilities, $189,000.
Greensboro, N. C.: Training facilities, $357,000.
Greenville, Ohio: Training facilities, $165,000.
Hammonton, N. J.: Training facilities, $175,000.
Harriman, Tenn.: Training facilities, $91,000.
Hendersonville, N. C.: Training facilities, $120,000.
Hollister, Calif.: Training facilities, $105,000.
Honey Grove, Tex.: Training facilities, $90,000.
Houston No. 1, Tex.: Training facilities, $323,000.
Houston No. 2, Tex.: Training facilities, $264,000.
Jerome, Idaho: Training facilities, $52,000.
Johnston, S. C.: Training facilities, $99,000.
Juncos, P. R.: Training facilities, $38,000.
Juneau, Alaska: Training facilities, $450,000.
Kannapolis, N. C.: Training facilities, $109,000.
Kealakekua, T. H.: Training facilities, $145,000.
Ketchikan, Alaska: Training facilities, $277,000.
Keyser, W. Va.: Training facilities, $157,000.
Kingsport, Tenn.: Training facilities, $165,000.
Lake City, S. C.: Training facilities, $99,000.
Lasker-Woodland, N. C.: Training facilities, $103,000.
Laurinburg, N. C.: Training facilities, $105,000.
Lincolnton, N. C.: Training facilities, $95,000.
Ligonier, Pa.: Training facilities, $45,000.
Little Rock, Ark.: Training facilities, $260,000.
Livingston, Tenn.: Training facilities, $91,000.
Logan, W. Va.: Training facilities, $189,000.
Lovell, Wyo.: Training facilities, $142,000.
Marietta, Ga.: Training facilities, $90,000.
Mayaguez, P. R.: Training facilities, $160,000.
Middleboro, Ky.: Training facilities, $130,000.
Millinocket, Maine: Training facilities, $75,000.
Minneapolis, Minn.: Training facilities, $88,000.
Nashville, N. C.: Training facilities, $98,000.
New Bern, Tenn.: Training facilities, $91,000.
New London, Conn.: Training facilities, $360,000.
Norfolk, Va.: Training facilities, $441,000.
Northwest St. Paul, Minn.: Training facilities, $130,000.
Oak Ridge, Tenn: Training facilities, $142,000.
Ocean Springs, Miss.: Training facilities, $54,000.
Pacolet Mills, S. C.: Training facilities, $99,000.
Patchogue, N. Y.: Training facilities, $375,000.
Persons, Tenn.: Training facilities, $91,000.
Phoenix, Ariz.: Training facilities, $65,000.
Pitman, N. J.: Training facilities, $175,000.
Portland, Maine: Training facilities, $75,000.
Preston, Idaho: Training facilities, $57,000.
Princeton, N. J.: Training facilities, $175,000.
Pulaski, Va.: Training facilities, $135,000.
Quitman, Ga.: Training facilities, $90,000.
Reynolds, Ga.: Training facilities, $90,000.
Richmond, Va.: Training facilities, $441,000.
Rigby, Idaho: Training facilities, $57,000.
Rockingham, N. C.: Training facilities, $98,000.
Roseboro, N. C.: Training facilities, $98,000.
Saco, Maine: $150,000.
Salem, N. J.: Training facilities, $15,000.
Salem, Oreg.: Training facilities, $161,000.
Salem, S. Dak.: Training facilities, $150,000.
San Fernando, Calif.: Training facilities, $115,000.
San Rafael (Fairfax), Calif.: Training facilities, $115,000.
Saranac Lake, N. Y.: Training facilities, $300,000.
Saugus, Mass.: Training facilities, $210,000.
Shallotte, N. C.: Training facilities, $95,000.
Silver City, N. Mex.: Training facilities, $57,000.
Sitka, Alaska: Training facilities, $45,000.
Smithfield, N. C.: Training facilities, $98,000.
Smithtown, N. Y.: Training facilities, $300,000.
Socorro, N. Mex.: Training facilities, $57,000.
South Boston, Mass.: Training facilities, $360,000.
South Pittsburg, Tenn.: Training facilities, $91,000.
South Portland, Maine: Training facilities, $150,000.
Saint George, S. C.: Training facilities, $99,000.
Stillwater, Minn.: Training facilities, $37,000.
Storm Lake, Iowa: Training facilities, $95,000.
Sturgis, Mich.: Training facilities, $220,000.
Swanton, Vt.: Training facilities, $137,000.
Tell City, Ind.: Training facilities, $188,000.
Texarkana, Tex.: Training facilities, $153,000.
Twin Falls, Idaho: Training facilities, $90,000.
Valparaiso, Ind.: Training facilities, $188,000.
Ventura, Calif.: Training facilities, $115,000.
Wahoo, Nebr.: Training facilities, $115,000.
Wallace, N. C.: Training facilities, $95,000.
Waverly, Tenn.: Training facilities, $91,000.
Waynesboro, Tenn.: Training facilities, $91,000.
Weston, W. Va.: Training facilities, $189,000
Whitman, Mass.: Training facilities, $210,000.
Whitmire, S. C.: Training facilities, $99,000.
Winnemucca, Nev.: Training facilities, $110,000.
Yates Center, Kans.: Training facilities, $93,000.
Yuma, Ariz.: Training facilities, $45,000.

ARMY NATIONAL GUARD OF THE UNITED STATES

(NONARMORY)

Anchorage, Alaska: Administrative and supply facilities, $192,000.
Augusta, Maine: Administrative and supply facilities, $190,000.
Burlington, Vt.: Administrative and supply facilities, $208,000.
Camp Beauregard, La.: Administrative and supply facilities, $325,000.
Camp Beauregard, La.: Maintenance facilities, $279,000.
Camp Butner, N. C.: Supply facilities, $353,000.
Camp Dodge, Iowa: Maintenance facilities, $80,000.
Camp Dodge, Iowa: Supply facilities, $120,000.
Camp Shelby, Miss.: Maintenance facilities, $165,000.
Columbia, S. C.: Maintenance facilities, $80,000.
Concord, N. H.: Administrative and supply facilities, $145,000.
Culbertson, Mont.: Maintenance facilities, $73,000.
Jefferson City, Mo.: Administrative and supply facilities, $113,000.
Kalispell, Mont.: Maintenance facilities, $67,000.
Nashville, Tenn.: Administrative and supply facilities, $493,000.
Salt Lake City, Utah: Maintenance facilities, $235,000.
Trenton, N. J.: Supply facilities, $80,000.

(4) For all Reserve components: Facilities made necessary by changes in the assignment of weapons or equipment to Reserve forces units, if the Secretary of Defense or his designee determines that deferral of such facilities for inclusion in the next law authorizing appropriations for specific facilities for Reserves forces would be inconsistent with the interests of national security and if the Secretary of Defense or his designee notifies the Senate and the House of Representatives immediately upon reaching a final decision to implement, of the nature and estimated cost of any facility to be undertaken under this subsection.

SEC. 604. The first sentence of section 2233a of title 10, United States Code, does not apply to—

(a) facilities that—

(1) have been the subject of consultation with the Committees on Armed Services of the Senate and the House of Representatives before July 1, 1958;

(2) are under contract before July 1, 1960; and

(3) are funded from appropriations made before the date of enactment of this act; or

(b) facilities that are authorized by section 603 (4) of this act; or

(c) The following facilities for the Air National Guard of the United States:

(1) Milford Point, Conn.: Operation and training facilities, $337,000.

(2) Wellesley, Mass.: Operational and training facilities, $319,000.

(3) Westchester County Airport, White Plains, N. Y.: Operational and training facilities, $105,000.

SEC. 605. The Secretary of Defense may establish or develop installations and facilities under this title without regard to sections 3648 and 3734 of the Revised Statutes, as amended, and section 4774 (d) and 9774 (d) of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended, and even though the land is held temporarily.

The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

SEC. 606. Appropriations for facilities projects authorized by section 603 for the respective Reserve components of the Armed Forces may not exceed—

(1) for Department of the Navy; Naval and Marine Corps Reserves, $11,886,000.

(2) for Department of the Air Force:

(a) Air Force Reserve, $5,054,000;

(b) Air National Guard of the United States, $11,976,000.

(3) for Department of the Army: Army Reserve and Army National Guard of the United States, $28,330,000.

SEC. 607. (a) Any of the amounts named in section 603 of this act may, in the discretion of the Secretary of Defense, be increased by 15 percent, but the total cost for all projects authorized for the Naval and Marine Corps Reserves, the Air Force Reserve, the Air National Guard of the United States, and the Army Reserve and the Army National Guard of the United States, may not exceed the amounts named in clauses 1, 2 (a), 2 (b), and 3 of section 606 respectively.

(b) The Secretary of the Army, Navy, and Air Force, respectively, may, in the discretion of the Secretary of Defense, establish or develop facilities for Reserve forces other than those facilities authorized by section 603 of this act, except that (1) the total cost of such facilities by any service shall not exceed 10 percent of the total amount authorized to be expended by that service for projects under such section, and (2) the total cost for all projects established or developed by any service under the authority of this subsection shall not, when added to the total cost of the projects established or developed by such service under the authority of section 603, exceed the amounts prescribed by clauses 1, 2 (a), 2 (b), 3, of section 606, respectively.

SEC. 608. This title may be cited as the "Reserve Forces Facilities Act of 1958."

Passed the House of Representatives July 10, 1958.

Attest: RALPH R. ROBERTS,
Clerk.

Mr. STENNIS. Mr. President, the Senate is considering the so-called military construction bill. It is a military construction program at home and abroad for all three services. The copies of the hearings are on the desks of Senators, together with the committee report. I have a fairly brief speech and analysis of the bill which I should like to put in the RECORD. I would appreciate being able to make my remarks without interruption, so far as possible, because there is a certain continuity to them. Of course, if a Senator has a pressing engagement elsewhere, I shall be glad to yield to him; otherwise I ask that I be permitted to make my remarks without interruption.

Mr. President, the purpose of this bill is to authorize construction for the military departments within and outside the United States in the total amount of $2,599,562,000, broken down as follows:

New authorizations for the active forces, $1,644,641,000.

Additions to prior year authorizations, $64,455,000.

New authorizations for the Reserve components—Organized Reserve and National Guard—$57,246,000.

In addition, the $2,599,000,000 figure includes authorizations to construct approximately $833 million of title VIII—Capehart—family housing units.

I might say at this point, that while the title VIII housing is not normally considered a budget item, nevertheless the units must be paid for and this bill cannot properly be evaluated unless the housing costs are considered—for once approved and made part of law—they represent a charge against the taxpayer as legitimate as any outright authorization.

These houses are not built with appropriated funds, and therefore do not show up in the budget. However, the contingent liability imposed by the bill, if they are constructed, is as outlined.

The approximately $1,645 million in new authorizations is divided between the three services as follows: Army, $201,963,000; Navy, $323,887,000; Air Force, $885,390,000.

In addition, the Department of Defense would be authorized $233,406,000.

Mr. President, the figures I have mentioned represent a total slightly under $600 million less than that originally requested by Department of Defense. A comparison of the final committee actions and recommendations is shown on page 10 of the report.

There are several things unusual about the bill being reported this year. For instance, for the first time it includes construction authorizations for both the Active and Reserve Forces. Second, there appears for the first time the total construction authorization requests including contingent liabilities for housing mentioned previously.

This year during the hearings and review of the construction bill, the committee intentionally placed greater emphasis on the major policy areas which in themselves create the forces that require the facilities. This does not mean that full consideration was not given to each specific line item—of which there were approximately 3,000. Based upon past experience, it has become obvious to the committee that the very act of authorizing bases from which military operations may be conducted cannot be divorced from the broader field of policy. It is apparent that Congress cannot avoid making policy decisions when it considers and passes this type of legislation. Construction bills not only concern themselves with brick and mortar, but by their very nature they also support ballistic missile programs, continental air defense weapons systems, overseas bases, and, in fact, almost every category of our military program.

As was the case last year, the committee established a standard criteria against which all service requests were compared. This criteria is shown commencing on page 5 of the report.

I should like to say with some emphasis that the report filed with the bill, consisting of 121 pages, is a review of many of the major active military policies which are supported by the bill, and contains a great deal of factual information gathered not only during the hearings this year, but over the past several years as well. I believe the report will be a valuable contribution to the file of every Senator who would like to have a handbook which covers at least a part of our active military program.

It will be impossible to review here today each of the several thousand line items contained in the bill; however, the unclassified record of hearings is available and indexed.

I shall, therefore, address myself initially to the basic policy questions involved and the reasons behind the committee's actions in these areas. Following, I shall be glad to attempt to answer any questions which my colleagues may have.

During its review of the bill, the committee concluded that the fiscal year 1959 construction program represented one of the best thought-out programs received. It was quite apparent that Defense had applied standard procedures and that the greater part of the operational and supporting items were essential to the better functioning of the Defense Establishment.

If it had not been for the fact that the bill as presented involved certain underlying policy matters, it would have been possible for the committee to approve the bill with very few changes.

As previously stated, the committee, while thoroughly reviewing the many line items, directed its attention primarily to major policy areas. As a result some of the conclusions reached resulted in a definite impact on certain areas—which had they been considered in the light of construction criteria only, would have occasioned little or no concern.

While the purely technical review procedures developed by defense have improved in a most satisfactory manner, there remains one area of transcending importance where adequate coordination, or even decisions, is apparently lacking. This situation caused to be suspect some of the construction items in the bill.

I refer to the basic need for a coordinated and concurrent development of the construction program in the light of approved national policies—and in support of approved and unified long-range plans—required by these approved national policies. Such is essential in order to insure that—

First. True operational requirements are given priority over marginal ones.

Second. Locations selected for key strategic installations are consistent with operational needs, vulnerability studies, and not on purely fiscal ones.

Third. Facilities for new weapons systems are constructed in time to meet the planned operational and deployment dates of these new weapons.

Fourth. Decisions are made between duplicating weapons systems prior to the request that duplicating facilities be constructed.

Fifth. Additional facilities are not constructed for antiquated weapons systems or soon to be outdated ones—when proper coordination with long-range planning in light of new developments would eliminate such.

Sixth. Housing and other personnel facilities are constructed on the most economical basis, and in direct relation to the requirements of known and approved long-range troop basis.

Seventh. Fiscal decisions alone are not allowed to determine military capabilities once the military program has been approved in light of approved national policy.

Eighth. Facilities are constructed at overseas bases on an austere basis to meet operational requirements only, and in full consideration of the realities of the international political and diplomatic climate.

Ninth. Continuous supervision by qualified personnel of military construction projects to insure adherence to the principles of competitive bid and minimum costs to the Government.

Tenth. Full consideration is given to the possible impact of the military construction program on our Nation's economy both now and in the future.

FINAL COMMITTEE ACTION

As I have mentioned before, page 10 of the report outlines the major dollar differences from the original proposal and that recommended by the committee. As a result of its deliberations, these differences are prompted by an expected reduction of approximately $40 million in new authorizations; a reduction of better than $550 million in the contingent liability pertaining to title VIII family housing—and a limitation on the number of units to be constructed during fiscal year 1959. In addition, to the Reserve component—including Army National Guard—in the amount of approximately $28 million.

I should like to emphasize at this point that nothing in the report or my remarks should be interpreted to mean that the committee lacks faith in the Department of Defense or the three services. On the contrary, the military and civilian personnel in the departments responsible for the construction program have evidenced, as usual, a commendable knowledge and supervision of the subject. The committee does feel, however, that as in all complex human endeavors, there is room here for improvement. This is a field which requires understanding and cooperation between all branches of the Government. Therefore, the committee's actions and recommendations, while quite critical of certain areas, are made with constructive intent and none other.

UNITED STATES MILITARY POLICY

In an effort to provide a suitable background for reviewing the construction requirements, the committee attempted to analyze the United States military policy upon which our force structures are based. Predicated upon the various statements as enunciated by senior Defense officials before this committee, during the past several years and focalized during our hearings this year, it can be broadly stated that the military policy of the United States consists of 4 basic interrelated and mutually supporting concepts. It was quite obvious to the committee that all military personnel and senior civilian officials of the Department do not agree with each other as to the relative importance of these four areas. In fact, each service seems to place its own unilateral measurement upon each one. Nevertheless, it became clear to the committee that the prime concepts upon which the services are basing their requirements for forces are:

First. Warning—because the enemy can be expected to move first.

Second. Retaliation — an offensive strike capability second to none in the event of an enemy attack.

Third. Defense—either 100 percent or sufficient to deter attack and protect retaliation forces.

Fourth. Limited war capability—that capability sufficient to handle "brush fires" or to move strategically in sufficient time and with adequate force to avoid the loss of vital strategic areas and if possible to prevent the outbreak of general war.

This bill contains authorizations designed to meet certain construction requirements relative to the above. Obviously a single bill cannot satisfy all of these requirements. While certain specific details are classified, it is possible to discuss many of the salient ones.

WARNING CONCEPT

All witnesses appeared convinced that we must establish and maintain the best possible warning system, otherwise the adherence to a policy of nonaggression could prove fatal especially in a climate where reaction time is at a premium.

The committee emphatically concurs in this concept. The warning systems must be attuned, however, not only to the military requirements of threat from manned bombers, ballistic missiles, and so forth, but also to international diplomatic and political threats.

I shall not attempt here to go into all the details of the warning system; the report covers it quite thoroughly, we believe, beginning on page 11.

RETALIATION CONCEPT

On page 14 of the report will be found descriptions of that portion of the bill pertaining to the Strategic Air Command, our principal element of retaliation forces. SAC tanker relocation, alert facilities, and on page 16 ballistic missiles are covered.

The bill would provide approximately $200 million in construction authorizations for SAC; $33 million for SAC tanker relocation; $80 million for alert facilities, and $165.9 million for ballistic missile facilities. This latest figure includes authorization for the construction of operational Atlas facilities at one location not yet firmly selected, and support facilities for both the previously programed Atlas sites. It also includes authorization for the construction of hardened facilities for the Titan ICBM along with operational facilities and training facilities for the ICBM and the IRBM at Cooke Air Force Base, Calif.

There are, of course, other missile authorizations contained in the bill; most of these subjects of necessity are of a classified nature. For instance, certain authorizations are included in the bill for the construction of Polaris facilities and the details are classified. According to testimony, this Navy missile gives promise of becoming perhaps one of the most decisive weapons of warfare. It is the view of the committee that Defense could well expedite this program. The committee hopes that the Department of Defense will continue to provide the Navy with the highest priority in the development of Polaris, and remove any obstacles which might prevent an early operational readiness date.

DEFENSE CONCEPT

Most weapons systems can rightly be cataloged in certain of their applications as supporting defense. The committee, in its report, directs itself only to those which pertain to the continental air defense field. This description begins on page 17 of the report.

The defense system includes SAGE, flight interceptors, surface-to-air missiles, personnel and supporting facilities. It is evidenced by the Nike family, Bomarc, and Hawk.

DUPLICATION OF AIR DEFENSE WEAPONS SYSTEMS

The report contains a very serious observation by the committee with reference to the continental defense system.

The committee is, and has been for some time, greatly concerned over the possible duplication of weapons systems and their attendant excessive cost and waste of effort.

We now have deployed or soon to be deployed, throughout the continental United States, at least four systems superimposed upon each other and blanketing the entire continent. While each system has its own special characteristics, testimony indicated there is an overlapping where one system might well perform the functions of its neighbor. Each of these systems is estimated to cost from $3 billion to $6 billion, individually.

Testimony taken indicated that while the Joint Chiefs of Staff or the Office, Secretary of Defense has not given official approval to all contemplated programs, nevertheless if those being contemplated by each service were to be established in their entirety, the total cost would be in the neighborhood of $8 billion a year for the next 5 years, and that the operational cost would be $5 billion annually, thereafter.

Secretary McElroy has stated "the capital investment already made in this continental air defense during the last 4½ years exceeds $13 million. The cost of operation is now almost $2 billion." Information in the committee files indicated that Secretary McElroy's figure may be on the low side.

It is the committee's unanimous opinion that decision must be made to eliminate duplication or the annual budget must be increased beyond all reasonable proportions.

Secretary of Defense McElroy indicated his thoughts concerning future defense budgets as shown in the following excerpts from the published record of his press conference held on June 19, 1958, at Quantico, Va.:

Mr. NORRIS (Washington Post). Could you indicate what size that budget is? There have been some reports that it would go up tremendously.

Secretary MCELROY. Well, there has been no approval of the budget by the administration as a whole.

Mr. NORRIS. I meant the future trend.

Secretary McELROY. Well, you mean how high it could ultimately——

Mr. NORRIS. There have been reports that it would go up to 60 or 70 billion within a decade if you continued with the size of forces and all the programs.

Secretary McELROY. I think that could well be.

Mr. NORRIS. You think that could be?

Secretary McELROY. Yes; I do.

Mr. NORRIS. Does that—does the study show that?

Secretary McELROY. No; we haven't gone that far. In fact, I don't think there is much use really in making a projection for 10 years ahead with technological advances proceeding as they do. That figure of 60 to 70, is in my opinion, a pretty breezy figure, but I can tell you that it wouldn't be difficult for that kind of addition to have to be required if we continue with the size forces we have.

Of course, Secretary McElroy was referring to the size of the forces, the personnel, and other aspects of the entire defense program.

The committee feels that major policy decisions must be immediately made in order to establish just how far the country is to go in developing fixed defenses.

NIKE-TALOS

Two years ago, in the fiscal year 1957 military construction authorization bill, the committee was presented with requests for authorizations pertaining to construction of facilities for Nike-Ajax and Talos ground-to-air missiles. The Ajax was to be used in connection with the Army's point defense responsibilities, and the Talos was part of the Air Force area defense mission. At that time, the committee in its report, stated:

> The committee concluded that both the Army and the Air Force are assigned overlapping roles and missions in the antiaircraft and continental air defense fields. While the Air Force views its mission as one of area defense, and the Army views its as perimeter or point defense, it is clear that a definite and urgent need exists for the Department of Defense to quickly and positively clarify the specific responsibility of each service. The committee believes that unless concise responsibilities are assigned, duplication of weapons systems costing in the multi-billion-dollar range might result, and that such duplication would obviously be too costly as well as inexcusable from the military standpoint.

The committee then denied the authorization for the establishment of Talos sites, and called upon the Secretary of Defense to make a determination. Subsequently, in his memorandum of November 26, 1956, the Secretary of Defense assigned Talos to the Department of the Army.

The committee took the action of denying the authorization for Talos, not because it believed that Talos was an ineffective weapon; on the contrary, testimony indicated that it gave promise of being ideally suited for a role in the air defense system. The committee felt then, as it does now, that Congress should not be called upon to make a determination between the relative merits of weapons systems, each of which was strongly supported by its developers; that this was a responsibility that should be accepted by the Department of Defense.

In May 1958, the chairman of the committee received the following letter from the Department of the Army with reference to the future production of Talos:

MAY 2, 1958.

Hon. RICHARD B. RUSSELL,
Chairman, Committee on Armed Services, United States Senate.

DEAR MR. CHAIRMAN: In conformance with the Department of the Army's policy to keep you and the members of your committee informed of Army affairs, it is desired to acquaint you with actions being taken concerning the land-based Talos missile.

Based on the review and decision of higher authority not to employ the land-based Talos system due to budgetary limitations, it became necessary for the Army to terminate the Talos production contract with RCA yesterday, May 1, 1958.

While this action results in termination of the manufacture of Talos land-based systems, the production of certain components, basically computers and tracking radars, will be continued for utilization in the research and development areas on other Army programs.

Remaining in effect between RCA and the Army is the contract to complete evaluation of the Talos land-based system. This evaluation is being performed on the research and development model installed at White Sands Proving Ground.

Sincerely,

J. H. MICHAELIS,
Major General, GS,
Chief of Legislative Liaison.

Even though qualified witnesses who appeared before the committee had stated that "Talos ranks with the best in air defense systems. This country needs all it can buy," the decision has now been reached that Talos is no longer required. Yet, had the committee authorized the funds requested in the fiscal year 1957 military construction authorization bill, there can be no doubt that Talos sites would now be established adjacent to Nike-Ajax installations.

In review, Mr. President, the committee struck from the bill the provisions for the sites of the Talos missile and called upon the Secretary of Defense to reconsider the matter and to make a choice.

In the course of time the choice was made. The Talos missile was turned over to the Army, and thereafter was discontinued. We have not received any more requests for construction authorizations in that connection. If there had been an authorization of the sites, as well as the funds, we believe that program would have continued, and we would now have, side by side, programs which now have been decided to be duplications.

A similar situation apparently exists today with regard to Nike-Hercules and Bomarc. The same arguments exist regarding point and area defense. A glance at the classified deployments projected for these missiles indicates that in many, many instances it is planned to locate each in the same area, for the purpose of defending the same installation. The committee has reviewed this subject most thoroughly—not only at this session, but also during the 2 preceding years. Each service has defended its own program with honest vigor and conviction. Yet it is most obvious to the committee that the Army and the Air Force continue to have overlapping responsibilities in the air defense missile field, and that their respective programs duplicate each other.

DEFENSE VERSUS OFFENSE

Some have argued that we can never have enough defense. The committee is of the opinion that the best defense is still a strong offense. Too great a defensive psychology can only result in a "Maginot line" concept. Obviously we must provide adequate defense for our strike or retaliatory forces, but we must establish our true defense or mobility, dispersal, striking power, and more important, diplomatic and military policies designed to prevent war; such cannot be divorced from economic stability.

COMMITTEE ACTION

The committee, therefore, recommends the following action, and the bill as reported reflects this recommendation: The committee deleted $137 million from the Army title pertaining to Nike-Hercules, Hawk, and Missile Master; and $92 million of the Air Force title pertaining to Bomarc, and added $183 million to title IV. This action has a result of reducing the combined total requested for Nike-Hercules, and so forth, and Bomarc by 20 percent, and authorizing the Secretary of Defense or his designee to construct such defense missile sites as he deems essential for security. The 20 percent reduction is made on the basis that it seems reasonable to assume that immediate and tangible savings would be effected if a decision is made.

In taking this action, the committee does not attempt to set itself up as military experts. These are decisions which must be made by the Secretary of Defense supported by qualified technicians. The committee took this action as a matter of focusing the problem and in underlining its belief that the Congress should not be called upon to determine the merits of competing weapons systems.

Here, also, I should like to emphasize that the committee is not establishing the precedent of making all authorizations or appropriations directly to the Secretary of Defense. On the contrary, it is simply carrying out the prerogatives of Congress relative to its right to authorize and appropriate in special areas. Nor is this a precedent for denying authorizations and appropriations directly to the services. We believe that the identity of the services should be preserved—but not for the purpose of perpetuating duplication in instances where obviously a decision must be made.

LIMITED WAR CONCEPT

At this point I should like to draw attention to page 29 of the report. I shall not deal further with the subject of limited war, except to say that testimony indicates this is a concept which has not yet received sufficient attention within the Department of Defense. While not part of the actual construction items contained in the bill, I should like to state here that testimony indicates that the country does not have adequate airlift capability to move its ground combat forces in the event of an emergency. The committee wonders why some of the money spent to date on fixed defense has not been utilized to provide a greater airlift capability.

Without mobility, ground forces would have little opportunity of reaching vital areas in sufficient time.

In light of this, the committee cannot help but wonder why the Army has placed such a great emphasis on fixed defense—point—weapons systems, which the committee believes has caused a resulting diminution of the Army's ground combat capability—its principal and most important mission. The committee believes the Army should take stock of itself and shall redirect its efforts toward providing the United States with the finest forces in the world capable of victorious sustained ground combat; such would be consistent with its long and glorious history developed on many famous battlegrounds.

Mr. President, I wish to call attention particularly to pages 29 and 30 of the report, where the matter is taken up at considerable length. Of course it may be debated by other Senators during the further consideration of the bill.

At this point, the committee wishes especially to compliment and commend the United States Marine Corps. All can be proud of the Marine Corps, its tradition, its valor, and its courage. The committee was particularly proud on the day when the Marine Corps witnesses appeared before it. All officials to that date had testified on the need for new weapons systems, better machines of war, and the highly complicated gadgets of modern electronics. A marine general, in describing the Marines' concept of operations, was the only military man who, at the conclusion of his testimony, said, in substance: "Regardless of our requests for facilities and weapons, I would like to point out that we leave such decisions to the committee, for the individual fighting marine is our greatest asset, and as long as we can maintain him, we have few problems."

Mr. President, those words came rather refreshingly to the committee, which hears many long, laborious lamentations about so many things which it is alleged the Congress has not done, and which are said to cause the morale of the men in the services to be low. In that connection, we are told that we must do this or must do that, in order to increase the morale.

But that marine general tells us that, so far as his force is concerned, "You make the decisions; and we will move from there, and it will be up to us to do the rest." I comend very highly that spirit and that attitude.

MILITARY FAMILY HOUSING

Military family housing is one of the most important aspects of the annual construction program. For the first time this year, we have a bill which provides line items at given locations for the number of family housing units to be constructed.

For the past 3 years, the committee has become increasingly disturbed over the possibility of overproduction of military family housing units. While it cannot be questioned that all military personnel must have adequate housing, nevertheless, in the light of uncertain future strength pertaining to military personnel, it is believed that there are two aspects of the housing program which have not yet been satisfactorily met. First, we are not convinced that the stated objective, i. e., number of houses to be constructed, has been properly coordinated, either numerically or geographically, with long-range defense plans—specifically as these plans affect troop strength. Second, we are convinced that the principal method of procuring military family housing is too costly, and in the long run is economically unsound.

In the last few years we have seen tangible reductions in the troop strength. In June 1954, the total was approximately 3,300,000. Today, it is approximately 2,600,000, with rumors of tangible cuts contemplated for the future.

Originally in this bill, the Department of Defense requested authorizations to construct about 50,000 title VIII housing units; 50,000 units will be a contingent liability over the next 25 to 30 years—or close to $1,400,000,000.

Therefore, the committee, while authorizing the construction of units requested at specific installations, provided in section 513 of the bill language limiting the number of title VIII family housing units to be constructed in the fiscal year 1959 to a total of 30,000. The committee believes that unless a military family housing program is closely coordinated with, and held safely below, the anticipated long-range troop objectives, the Federal Government may well find itself in the position of attempting to dispose of surplus housing at vacant military installations. The committee remembers too well the case of the title VIII housing program at Fort Polk, La. In that instance, a project of more than $30 million was canceled, after ground had been broken and construction started—because of troop reductions. Such failure to coordinate coming troop reductions with current construction activities is expected to cost the Government several million dollars—one figure is $10 million—not counting the unfortunate impact upon the local community.

Mr. President, in regard to the family housing program, to which I have already alluded, we found that requests were made for 50,000 units of family housing, for which the construction cost would, on the average, be $16,500, exclusive of the interest charges.

By review, we found that in the past 5 years, there have been tangible reductions in the troop strength. For instance, as recently as 1954, the total was approximately 3,300,000, whereas today it is approximately 2,600,000; and there are rumors that further cuts are contemplated for the future.

As I have said, originally in this bill the Department of Defense requested the authorization of 50,000 title VIII housing units. They would result in a total contingent liability of about $1,400,000,000. That is the figure I mentioned a while ago as not being included in the budget. It is not carried in the public debt.

Mr. JOHNSTON of South Carolina. Mr. President, I wonder whether the Senator from Mississippi would like to know that at the present time, in various parts of the country, houses built by the Government during the last 10 years are now being sold for as little as 10 percent of the outstanding mortgage on them and some of them are in close proximity to military installations.

Mr. STENNIS. That is very revealing evidence, and I thank the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. I should like to tell the Senator from Mississippi that the General Counsel for the Federal Housing Administration was in my office this morning, and also Senator JOHN SPARKMAN, of Alabama, the distinguished chairman of the Senate Subcommittee on Housing; and they will bear out what I have said—namely, that some of the houses are being sold for less than 10 percent of the amount of the mortgages outstanding on them at the present time. Houses valued at a total of over $1 million are being sold for $115,000 in my State. That is one reason why I wish to call this matter to the attention of my colleagues.

Once before, I called it to the attention of the Senate, in the case of houses close to military installations, such as those at Columbia, Charleston, and elsewhere.

The same is happening today.

Certainly the Congress should not throw away the taxpayers' money, when there are 3,000 available houses in Columbia, for example, in close proximity to Fort Jackson, and when the same condition exists in Charleston, S. C., and at other cities.

Such wastes of public funds should be stopped, instead of giving the military more money for the construction of more houses—when so many houses already are available, and are standing empty.

Mr. STENNIS. I thank the Senator from South Carolina; he has made a real contribution to the debate.

Mr. BUSH. Mr. President, will the Senator from Mississippi yield to me?

The PRESIDING OFFICER (Mr. JORDAN in the chair). Does the Senator from Mississippi yield to the Senator from Connecticut?

Mr. STENNIS. Yes, although I had requested that I not be interrupted until I had finished the presentation of the major points in connection with the bill. Other Senators have previously requested that I yield, and that has been my reply.

However, if Senators are so pressed for time, in connection with other matters, that it is desirable that I yield to them at this time, certainly I do not wish to be selfish.

Mr. JOHNSTON of South Carolina. Mr. President, my point is that when millions of dollars of the taxpayers' money is proposed to be spent, I wish to know whether there is a necessity to spend it.

Mr. STENNIS. Mr. President, under the circumstances, I am willing to yield to various Senators at this time.

Mr. BUSH. My question would not have arisen had the Senator from South Carolina not raised the question about the houses being for sale. I should like to ask the Senator from South Carolina who is buying these houses. What sort of purchasers are they?

Mr. JOHNSTON of South Carolina. The sales are not even advertised in the

towns in which the houses are located. They are advertised in newspapers like the New York Times and in other newspapers in the State, but none were advertised in the counties or cities in which they are located or even in the adjoining counties.

Mr. BUSH. I am sympathetic to the Senator's objection to this kind of procedure. I am glad he has brought the matter before the Senate.

Mr. JOHNSTON of South Carolina. I did it once before, a couple of years ago, and raised the same question with regard to the building of houses.

Mr. SALTONSTALL. Mr. President, now that the Senator from Mississippi has been interrupted, will he yield to me?

Mr. STENNIS. I am glad to yield to the Senator from Massachusetts, who is a member of the committee, and who has done a great deal of work on the bill. I would appreciate any comment or point he wishes to make.

Mr. SALTONSTALL. First I should like to commend the Senator from Mississippi [Mr. STENNIS], the Senator from Washington [Mr. JACKSON], and the Senator from South Dakota [Mr. CASE], who is away on official business, for their work on this bill. It has entailed enormous effort. They have given many, many hours to it. The result is, I hope, a very happy one, and one that the Senate and the conferees will adopt.

I should like to ask the Senator two questions. First, I note—and I heard discussion in the committee on the matter—that the Senator has referred to the Secretary of Defense and to certain decisions to be made at the top level. I refer now to pages 89, 107, and 132 of the bill. On those pages, relating to the Army, the Navy, and the Air Force, $25 million is provided to be used according to the decision of the Secretary of Defense. Is that in connection with the remarks the Senator has made about decisions on missiles?

Mr. STENNIS. Yes; $25 million is provided for each of the respective services, to be used for emergency construction. As the committee understands, the $25 million could be available if the Secretary saw fit to use it on the missile program.

Mr. SALTONSTALL. And the Committee on Armed Services so provided, on the recommendation of the Senator from Mississippi, in order to try to improve efficiency by having the Secretary of Defense make a decision as to which missile would be used and how it would be used?

Mr. STENNIS. Exactly. We felt the decision should be made by the Secretary. It is not one Congress is capable of making. The authorization is made for the one who has the responsibility to make the decision. We hope the Secretary will make the decision. The money will then be used as he directs. We have reduced the amount by 20 percent. These are other discretionary funds, available if needed.

Mr. SALTONSTALL. In that way the committee hopes it will lead to a speedier and more active consideration of which missile is the best and how it can be used?

Mr. STENNIS. The Senator is correct.

Mr. SALTONSTALL. Is there any provision in the bill concerning military demands for construction of space items? I have in mind the majority leader's Committee on Space and Astronautics, which was granted authority in the field of nonmilitary space construction. I should like to know if there is anything in the bill or if the Senator will propose any provision relating to military construction of space items.

Mr. STENNIS. There is a $50 million authorization, to be used by the Secretary of Defense, in connection with advanced research projects.

Mr. SALTONSTALL. Is that authorization sufficient, so far as the subcommittee knows, for the current year?

Mr. STENNIS. It is estimated the authorization will be entirely sufficient for the needs that will arise during the current fiscal year.

Mr. SALTONSTALL. I thank the Senator for his courtesy. I commend him for his work.

Mr. STENNIS. I thank the Senator.

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

Mr. STENNIS. I yield to the Senator from Wyoming.

Mr. BARRETT. At the outset, let me commend the Senator from Mississippi and his colleagues for the splendid work they have done on this bill. I know it has entailed a tremendous amount of time for each member of the subcommittee. The distinguished Senator from Washington [Mr. JACKSON], the distinguished Senator from South Dakota [Mr. CASE], as well as the distinguished chairman of the subcommittee are certainly to be congratulated for what they have done.

Mr. STENNIS. I thank the Senator.

Mr. BARRETT. I wanted to inquire of the Senator about a statement he made a moment ago with regard to the requirement of the sum of $8 billion annually for the construction of aircraft control and warning radar and the items included in that large program over the next 5 years, and $5 billion for operations thereafter, as I recollect the figure. My question is, does that authorization contemplate detection of intercontinental or intermediate range missiles?

Mr. STENNIS. Yes. In addition, some of that amount is based on the operations of missiles themselves. It is tied in with part of the detection system, but does not include all the farflung warning systems beyond the continental United States.

Mr. BARRETT. That was my understanding, but still it seems to me that it is a tremendous sum of money, and it should serve as a warning to the people that the defense needs of this country and of the Free World certainly are going to be increasing tremendously in the years which lie ahead.

Mr. STENNIS. We are satisfied that figure is conservative. It took a long time to arrive at the figure. The amount was arrived at after 2 or 3 years of work.

Mr. BARRETT. On page 13 of the report there is a reference to Sundance Air Force Station at Sundance, Wyo. I should like to ask the Senator if his committee has included an authorization for 25 housing units, at a total cost of $505,000, as I recollect the figure.

Mr. STENNIS. The details of the installation to which the Senator refers are secret, but the installation was approved, including the housing he specifically mentions. The committee approved the authorization of the housing.

Mr. BARRETT. As the Senator knows, that is an isolated area, away from railroads, and the housing item is badly needed.

Mr. STENNIS. That is one reason why the committee approved that item—because it was an isolated area.

Mr. BARRETT. I now refer to page 16 of the report. The Senator mentioned the fact that there has been an authorization for a classified project, an ICBM installation, at Warren Air Force Base, at Cheyenne, Wyo. Did the committee approve the budget request for this item?

Mr. STENNIS. Mr. President, in answer to that question, we approved all of the items requested by the Air Force for the Warren Air Force Base.

Mr. BARRETT. I thank the Senator. There is one other item I should like to mention.

On page 113 of the report there is a reference to two Army National Guard units, Lovell and Cody. There is also a reference to the Army Reserve unit at Cheyenne. Those items were requested, I presume, by the Department of Defense.

Mr. STENNIS. Those were approved by the National Guard Bureau and the National Guard Association, which represents the various State National Guard organizations. We have not yet covered that in our presentation to the Senate, but will cover it later. In brief, there were two lists.

Mr. BARRETT. I so understand.

Mr. STENNIS. We approved both. Frankly, we hope the authorization will be granted, and that money will be appropriated for that purpose.

Mr. BARRETT. That was the reason I asked the question, Mr. President. On page 120, in the old list, there appears to be a reference to Laramie and New Castle. The Laramie Armory is presently under construction, but funds have not been appropriated, as yet, for the New Castle work.

Mr. STENNIS. We can assure the Senator that it is our intent that the new list not disturb the old list. The new list is supplemental to the older list. We hope to get funds to cover both of the groups, but that is uncertain. Anyway, there is nothing on the list except those items approved by the Adjutants General of the various States.

Mr. BARRETT. I thank the Senator.

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

Mr. STENNIS. I yield to the Senator from Rhode Island.

Mr. PASTORE. First, I wish to compliment the distinguished Senator from Mississippi for what I consider to be a very conscientious and laborious piece of work very effectively and very wisely done.

Mr. STENNIS. I thank the Senator. Many worked on the hearings and the report.

Mr. PASTORE. I realize that, and I realize also what the full responsibility of the chairman of a subcommittee is in matters of this kind. That is the reason I am particularly grateful to the distinguished Senator for the consideration he gave to certain requests for authorization of Rhode Island projects.

I invite the Senator's attention to page 110 of the report. I note items for the naval station, Newport, $1,709,000; the naval supply depot, Newport, $2,210,000; the Naval War College, Newport, $273,000; and the Air National Guard, Theodore F. Green Airport, Providence, $213,000; making a total of $4,405,000.

I suppose the distinguished Senator from Mississippi is quite familiar with the fact that, with respect to the appropriations bill, the House of Representatives has cut the appropriations for some of these authorizations, which, to me, is a very regrettable fact, because I think it is being pennywise and pound foolish. I assume the distinguished Senator from Mississippi heard the witnesses speak as to the deteriorated condition of some of these establishments, some of which were built after World War I and others built early in World War II. In some instances the roofing is tarpaper.

Mr. STENNIS. Yes.

Mr. PASTORE. That is how archaic some of the buildings are. By their age and inadequacy they tend to destroy the morale of the enlisted personnel who deserve something better from us.

We cannot blame the Navy. The Navy has asked for these facilities in order to house their people decently and to feed them properly. The House of Representatives has cut out the necessary funds even though these projects had been authorized. The same misjudgment was made in an item whose neglect could prove most dangerous to our fleet. This is the steam plant at the Navy depot in Newport, a fuel facility for the Navy. This plant is vital for service to the ships. A niggardly sum of one-third of a million was allotted for repairs. I am happy that the Senate subcommittee has restored the full 2 million.

The breakdowns that these facilities have experienced are as familiar to the people of Newport as is our apparent lack of concern for the well-being of the enlisted personnel who are so often the guests and are always the valued neighbors of the city of Newport.

Mr. STENNIS. Mr. President, I heartily agree with every word the Senator has said about some of these facilities. They not only fail to meet any longer the actual need, but they are demoralizing to the groups using them. In every instance we could, we tried to take care of these situations. These are older installations, and we are trying to rectify present conditions.

Mr. PASTORE. I wish to conclude by saying I expect to appear before the Subcommittee on Appropriations with relation to the restoration of the funds which have been cut. I shall at that time present my case in greater detail. I realize what a potent and strong voice the distinguished Senator from Mississippi has in matters of this kind. I hope for his cooperation and his helpful word at that time.

Mr. STENNIS. On the facts as I recall them now, I think the Senator can certainly depend on whatever I can do to meet the ends he has outlined so very clearly. These authorizations include everything recommended for the Senator's State, in the immediate recommendations. Of course, if this bill should pass, the appropriation bill should be the next step.

Mr. PASTORE. I thank the Senator very much.

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

Mr. STENNIS. I am glad to yield to the chairman of the Committee on Armed Services, the Senator from Georgia.

Mr. RUSSELL. I had originally intended to wait for the conclusion of the distinguished Senator's remarks, but other Senators have interrupted.

Mr. STENNIS. I am glad to yield to the Senator from Georgia.

Mr. RUSSELL. I certainly wish to add my words of commendation of the distinguished Senator from Mississippi and the members of his subcommittee, including the Senator from South Dakota [Mr. CASE] and the Senator from Washington [Mr. JACKSON]. There is no more diligent and thorough organization connected with the Senate of the United States than this subcommittee, and it is certainly ably assisted by the staff member, Colonel BeLieu, who is assigned to the committee. His thorough knowledge of the workings of the Department of Defense is exceedingly helpful not only to the subcommittee, but to the full Committee on Armed Services.

The subcommittee has done a prodigious job with respect to the military construction authorization bill for fiscal 1959. I commend the statement being made by the Senator from Mississippi and the report of the committee to all Senators who wish to keep abreast of what is transpiring in this field, not only in their own States, but in the United States and abroad. I think if Senators will direct their staffs to take the report home with them, they will have available the answers to a great many questions which might be propounded during the recess of Congress, and thus avoid the necessity of having to call upon the Department of Defense for such information.

As chairman of the full Committee on Armed Services, I have come to rely greatly upon the distinguished Senator from Mississippi for work of this nature, which requires intelligence, a conscience which has not yet been suppressed by public service, diligence, ability, and willingness to deal with details. As usual, the Senator from Mississippi has done an excellent job, and I am very proud that this bill was handled by a subcommittee of the Committee on Armed Services.

Mr. STENNIS. Mr. President, I certainly thank the chairman of the committee for his most generous remarks to all of us on the subcommittee, including our very fine staff member, Colonel BeLieu, who represents to us the finest traditions of the military service as well as civilian life.

I desire especially to thank the Senator from South Dakota [Mr. CASE], who is away on official business today and could not be present, but who has been very active in the hearings and in the writeup and planning of the entire bill and report.

I especially thank also the Senator from Washington [Mr. JACKSON] for his very fine work and effort, as well as for his splendid knowledge and background with reference to the missile program, the SAC program, and, in fact, all military programs.

If I have a blessing in the Senate in this work, it is the fact that I am surrounded by two such stalwart men, with all their energy and fine background.

SURPLUS COMMODITY HOUSING

The bill also contains authority for the construction of certain housing units overseas to be paid for through the Department of Defense surplus commodity procedures. Section 513 of the bill would limit the number to be constructed during fiscal year 1959 to 4,000 for reasons which I shall cover during the discussion of overseas bases. This action does not mean the committee is not in favor of the surplus commodity housing program. On the contrary, it is strongly in favor of the program. Full details of the committee's position are shown in the report commencing on page 35.

I now move on to the recommendation of the committee in connection with the so-called Capehart housing. There were requests for 50,000 units. We prescribed certain criteria. We did not decide at which bases the units should be built, but we did limit the full amount of the authorization to 30,000 units. We feel certain that that is a very generous building program for 1 year's authorization. At least we shall know more a year from now, we hope, about the prospects of the continued size of the services, and the fate of certain bases. This provision is not designed to cancel the program, but to continue it on a more limited scale.

WHERRY HOUSING

I come now to an item of interest, which concerns so-called Wherry housing. I believe Senators are familiar with the program.

This bill, in section 512, exempts the acquisition of permissive Wherry projects and the requirement to report line item authorization in annual construction bills. This, it is believed, is consistent with prior committee recommendations that Department of Defense proceed to acquire all Wherry housing projects for which there is a long-range military requirement at permanent installations.

In addition, section 513 provides for certain clarification in the procedures pertaining to the acquisition of Wherry projects under condemnation.

On behalf of the committee, we have two minor amendments to offer at the proper time, which will further clarify the law in connection with the Wherry acquisition or condemnation proceedings

in court. The amendments we shall offer would make it mandatory that the court appoint commissioners, but they will be the court's commissioners, selected by the court itself. We think the commissioner system in these cases will serve better, as a practical matter, than would a jury of 12.

That suggestion came from the senior Senator from Tennessee [Mr. KEFAUVER], who made a very strong showing with reference to the subject matter. We are glad to offer that amendment on behalf of the committee.

Another suggestion was brought to our attention very vividly and constructively by the Senator from Alabama [Mr. SPARKMAN]. The amendment to be offered in that connection will clarify any obscure language in the bill as it now stands, and make it clear that in the condemnation proceedings the rules of evidence which pertain to a given court or forum will apply to all matters and will be under the control of the judge. The bill does not attempt to prescribe new rules of evidence or to limit the court in applying the law of the particular jurisdiction.

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

Mr. STENNIS. I yield.

Mr. KEFAUVER. I am glad to hear about the amendments which the committee will propose. There are not many types of property like the so-called Wherry housing with respect to which investors have invested their money, and the property is valuable, usually, only for military housing purposes.

Very often the buildings are erected on the property of the Government. The amount of investment, the return, capitalization, and all the other technicalities have to do with the value of property, so I agree that commissioners who can study the technicalities and make the necessary mathematical calculations are the proper group to place a reasonable value on the property—a value that is fair to the owner and fair to the Government.

I have heard some owners of so-called Wherry housing say that in condemnation proceedings under the Department of Justice, among the other elements of value to which the Government has refused to pay any attention have been the replacement cost, and the fair depreciation, which seem to be elements of value which have particular pertinency in connection with Wherry housing.

I had understood that an amendment might be proposed by the Senator from Alabama [Mr. SPARKMAN] in that connection. I certainly hoped that those elements of value which should be considered would be spelled out or considered in connection with this proposed legislation.

Mr. STENNIS. I can answer the Senator from Tennessee in this way: It is the opinion of the committee that when we try to spell out elements of values we create more trouble than we seek to cure. When the parties are unable to negotiate, they enter into a condemnation proceeding, in which rules of evidence and judicial processes control. As I have just said, the rules of evidence of a given forum as to proper elements of value are to be considered. I would strongly oppose any encroachment upon that idea.

Mr. KEFAUVER. In other legislation I have noted that it has not been stated that the items mentioned shall be the only elements of value, but it has been stated that under peculiar circumstances consideration should be given to particular elements of value. That is quite generally done in connection with laws affecting types of property which are different from the usual run of property. It seems to me that, since Wherry housing is an unusual type of investment, some consideration should be given to the particular types of value which apply particularly to Wherry housing—that is, the cost of construction, the cost of replacement, and fair depreciation.

Mr. STENNIS. We feel sure that those elements are considered in their proper perspective, under the rules of evidence prevailing in the jurisdiction where the case may be tried. That being true, it is bound to have an influence on the parties as they negotiate, although in other legislation we do prescribe certain rules of evidence which pertain to the subject matter which the Senator has mentioned.

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

Mr. STENNIS. I yield.

Mr. SPARKMAN. First, I wish to express my appreciation to the Senator from Mississippi for the masterful job he has done in connection with this bill, and I wish also to compliment the other members of the Armed Services Committee.

Limiting myself to the subject of Wherry housing, the Senator is well aware of my views on the subject. I have discussed it with him many times, both in the Senate and outside the Senate.

Mr. STENNIS. The Senator has been very helpful in the discussion of this troublesome subject.

Mr. SPARKMAN. I thank the Senator.

My own feeling is that if the Federal Government is given the right to step in and take away from private individuals properties which they own, certainly the Government should pay just compensation. It seems to me that in the case of a Wherry project, we are setting two standards. We know that the prices of labor materials, and everything else have gone up over a period of 6 or 7 years; yet we are holding the owner to the basic value before prices went up. Then we are taking away from him the cost of bringing the property up to today's values, which are much higher. It is an unfair formula.

Mr. STENNIS. The Senator is referring to the matter of negotiation between the parties, I assume.

Mr. SPARKMAN. I am glad the Senator brought that out, because it is my understanding that in the handling of the cases the Department of Justice at least is insisting upon a very narrow criterion for setting the value.

Mr. STENNIS. In the cases in court?

Mr. SPARKMAN. Those which have come under the control of the Department of Justice. I like what the Senator from Mississippi has said, and I wish to back him up. The Senator was a distinguished judge in his State, and I know, of no better lawyer in the Senate than the Senator from Mississippi. If I understand correctly what he says, it is that the language which it is anticipated will be put in the bill will be to the effect that the commissioners shall be appointed by the court and that they will be governed by the rules of evidence obtaining in the State where the cases are to be tried.

Mr. STENNIS. The Senator is absolutely correct.

Mr. SPARKMAN. They will not be held down by any single criterion.

Mr. STENNIS. No. In the condemnation proceedings, they go into court for all purposes. They cannot have one foot in and one foot out. They cannot be bound by what the Department of Justice says, or by what the Federal Housing Administrator says, or by what anybody else says. All of them can testify, but the commissioners are controlled by the judge of the court, and by the rulings the judge makes. It is a legal question and a matter of judicial evidence, and the value will be determined accordingly.

Mr. SPARKMAN. As a general matter, may I ask the Senator from Mississippi if he believes that a project which is bought as a going project ought to be valued as a going concern today?

Mr. STENNIS. That is certainly one of the elements of value, and I believe it is a major element of value. I would not say that the only element of value is its replacement cost now.

Mr. SPARKMAN. I did not use that term. I used the terms "going project" and "going concern."

Mr. STENNIS. Yes; I imagine that would be a part of the testimony before the commissioners.

Mr. KEFAUVER. Mr. President, will the Senator yield further?

Mr. STENNIS. If the Senator from Alabama has concluded.

Mr. SPARKMAN. Let me say that I appreciate the cooperation we have received from the Senator from Mississippi. Housing is a topic which comes under dual committee jurisdiction. From the very beginning, as the Senator knows, when the housing bill was before us, we tried to remedy the situation. I realize the opposition which was stated by the Senator from South Dakota [Mr. CASE] at that time and, I take it, the Armed Services Committee has been trying to improve upon what we did in the housing bill.

Mr. STENNIS. Yes.

Mr. SPARKMAN. I am glad to have had the opportunity to negotiate with the Senator for some changes, and I appreciate his cooperation.

Mr. STENNIS. The Senator from Alabama has been very cooperative and quite helpful in his suggestions to us, which we have adopted, and will offer in the form of an amendment. The Senator from South Dakota, who is necessarily absent today on official business, is very much interested in the general subject

and has been quite effective in working on it. The subcommittee members believe that the amendments we will offer will also represent the thinking of the Senator from South Dakota on the subject.

I now yield to the Senator from Tennessee.

Mr. KEFAUVER. I wish to thank the Senator from Mississippi and the members of the subcommittee, especially the Senator from Washington [Mr. JACKSON], in addition to the Senator from Mississippi, for the consideration the subcommittee has given to the problem which the Senator from Alabama [Mr. SPARKMAN] has discussed and in which I am interested because of the number of Wherry projects in the State of Tennessee. I am glad to hear the expression from the Senator from Mississippi that the local rules of evidence will be used, and not the procedure the Department of Justice follows.

Mr. STENNIS. I may say to the Senator from Tennessee that any other rule would be invalid and unconstitutional and, in effect, a confiscation of property without just compensation.

Mr. KEFAUVER. I hope the cases will be settled or compromised without the necessity of going to court. The Department of Justice is following an unrealistic and, as it seems to me, an unfair procedure so far as the adequate compensation rule is concerned. It makes it almost impossible for the parties to negotiate a fair settlement from their viewpoint. I would hope that the Department of Justice would take into consideration the going value of the operation as defined by the Senator from Alabama, just as the commissioners will, under the rules of evidence, when they come to the trial of the cases.

Mr. STENNIS. I appreciate the Senator's remarks. Of course, for the information of the Senate, some, although not all, of the Wherry housing projects were characterized by the so-called windfall profits, which gave so much trouble to the just, as well as to the unjust, and in connection with which Congress has been trying to prescribe a procedure which would be fair to all.

Mr. KEFAUVER. I wish to point out again the unique position of these properties. They have been built for occupancy by Government employees. If we consider only the value separate and apart from what the Defense Department may use them for, it would be unfair to the owners. If we considered the properties as compared with some other properties, that would not be quite fair, either, because there are no similar properties. I believe we must consider the value of the properties to the Government for the use the Government is going to make of them. That ought to be one of the prime considerations in arriving at the value.

Mr. STENNIS. I believe the Senator's comment is very timely. I feel the condemnation cases will carry out that objective as a part of the entire procedure.

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

Mr. STENNIS. I yield.

Mr. BRIDGES. The distinguished Senator from Tennessee brings out a very important point. Would the Senator from Mississippi accept an amendment at the bottom of page 153 to insert the words "to the Government" after the word "value," so as to make the language read: "give full consideration to all elements of value to the Government"? The Senator from Tennessee has pointed out that the value to the Government certainly should be considered.

Mr. STENNIS. That is certainly one of the elements of value; however, it is not the sole one. It is not the sole or controlling one. Any court would admit testimony of that nature. Unless the Government considered them of some value, it would not be condemning them or asking for them.

Mr. BRIDGES. Is there any objection to putting it in the bill?

Mr. STENNIS. We want to make it clear that the Army, the Navy, the Air Force, the Department of Justice, and anyone else has no special standing in court and that the cases will be decided as a judicial matter according to the rules of evidence pertaining to such matters.

Mr. BRIDGES. I believe it would be a great contribution toward clarifying the subject if the words "to the Government" could be added. Certainly the properties are not worth anything except as properties which have some value to the Government.

Mr. STENNIS. The owner might not want such testimony to go into the case, because the Government may testify that, after all, the property is not worth much to it.

Mr. BRIDGES. If the Government is going to take over the property, it seems to me its value to the Government is a fundamental element for consideration.

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

Mr. STENNIS. Let me answer that question. My view is that if such matters are considered in a condemnation proceeding, there cannot be a better rule written than the judicial rule which the courts already have applied in such cases to property of all kinds. The court adjusts itself to the particular case always. I think we will do harm to one side or to both sides if we try to write rules of evidence on which the court is to hear this type of case. That is why I have resisted all such proposals.

Mr. KEFAUVER. I can understand, under ordinary circumstances, the judicial soundness of the attitude of the Senator from Mississippi with reference to rules of evidence. But after all, the properties which are being condemned, if they are being condemned for what they could be rented for to taxpayers, or for what they could be rented on the open market, would not have much value at all, because the houses were built for a special use. The only one to whom they are of any real value is the Government itself.

I do not think this proposal makes any exception which has not been made in other types of cases where there are unique situations. I think language might be considered along the lines suggested by the Senator from New Hampshire, that after the words "shall give full consideration to all elements of value," there be inserted "including the value to the Government."

It seems to me that is an element of fairness, and is something to which the attention of the court should be directed because of the uniqueness of the property.

Mr. STENNIS. I think in an ordinary case that certainly would be admissible evidence, unless it were objected to by the owner himself. But I believe we will be borrowing trouble if we try to write into the bill the ground rules upon which the court will have to conduct the condemnation proceeding. Now the rules apply to all alike, and they have already been formulated in that area of the law.

Mr. BRIDGES. I could see a reason for the Senator's argument if the language provided that the court should give consideration to all elements of value to Joe Doakes or John Doe. But so far as the Government is concerned, which is the principal entity outside the owner, I cannot see any reason for not including the words I have suggested. It seems to me it would be logical to do so. I do not see how they could do any harm; I think they could do nothing but good.

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

Mr. STENNIS. I yield.

Mr. SPARKMAN. One thing I think we should keep in mind about the Wherry projects is that the Government has the unusual privilege of taking them over. The owner has nothing to say about it at all. We should make certain that whatever is written into the law is an absolute assurance that the owner will be dealt with fairly. That is all I ask for; and as I understand, that is the purpose of the language suggested by the Senator from New Hampshire.

Mr. BRIDGES. That is correct.

Mr. SPARKMAN. I think we are all really in agreement as to what we want. We want to have the owner treated fairly.

Mr. STENNIS. The Senator is entirely correct.

Mr. SPARKMAN. As I understand, the entire subject matter will be in conference when the bill goes to the House.

Mr. STENNIS. Yes.

Mr. SPARKMAN. There is nothing in the House bill pertaining to this subject.

Mr. STENNIS. The Senator is correctly advised on that point.

Mr. SPARKMAN. I certainly hope the finest thought may be given to this proposal, to make certain that the person from whom our great Government is taking the property may be treated fairly in the transaction. That is all any of us could ask for.

In that connection, I commend the Senator from Mississippi and his committee for a very fine statement in the report with respect to Wherry housing. I should like to read it, because I think it is well that it appear in the RECORD. The statement appears on page 46 of the report. It reads:

> In addition, the committee has included an amendment to the housing amendments of 1955, designed to clarify and stabilize the procedures for acquiring Wherry housing projects by condemnation.

Then listen closely to this:

The committee takes this action primarily because it has been informed, and has a sound basis to believe correctly, that the criteria utilized in the acquisition of Wherry projects has varied from service to service with a resultant lack of acceptable uniformity. The committee expects the Secretary of Defense, who should now have no doubt about his authority, to establish a standard procedure which, in the interest of clarity, just compensation, and equitable treatment of all concerned, will be followed by the entire Department.

I think that in a few words the Senator from Mississippi and his committee have pointed up the real difficulty of this matter. I am informed that some of the services have administered this part of the law fairly and with good results, while other services have not. The Senator from Mississippi has well pointed out the lack of uniformity. I commend him for his statement. I hope there may be gained from the discussion we have had in the Senate on this question what the intent of Congress is, namely, that the act be administered with uniformity and fairness to all.

Mr. STENNIS. I thank the Senator from Alabama. It is our purpose to give this program a new start. It has been vexing not only to Senators, but also to Wherry housing owners and to others.

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

Mr. STENNIS. I yield.

Mr. JACKSON. In connection with the comment made by the distinguished junior Senator from Alabama, who read from page 46 of the report, I may say that that language was included because of the complaints which the committee received from some of the occupants of Wherry housing. When that language is considered within the context of the bill now before the Senate, we have in effect a legislative history which provides guidelines that will give the litigant a fair measure of damages in keeping with sound judicial procedure.

The colloquy which has taken place here and the language in the report will provide adequate protection for those whose property will be acquired.

The Senate should be advised that our committee has been also deeply concerned with the question of land acquisition. We have had the problem of farm people who lose their property in condemnation proceedings. Many of those people point out, and can properly do so, unique situations, which we, as a body, cannot begin to contemplate in every instance.

In connection with the Wherry acquisition program, we must make every effort to be certain that there are guidelines which will give the courts, in the end, sufficient flexibility to mete out justice and to provide just compensation.

Mr. STENNIS. The Senator has made a splendid statement.

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

Mr. STENNIS. I yield.

Mr. BRIDGES. Would the Senator from Mississippi, who has worked so ably and conscientiously upon the bill, specifically accept and take to conference an amendment striking out certain words?

Mr. STENNIS. I might advise the Senator that we have already announced we will propose an amendment which will strike out the words at the bottom of page 153. Has the Senator been advised about the committee amendment?

Mr. BRIDGES. Yes; to strike out the words "in accordance with existing law, and"?

Mr. STENNIS. Yes; on the last part of page 153 and at the top of page 154, to strike out: "shall give full consideration to all elements of value in accordance with existing law, and." We decided that was too tight and might refer back to standards of value in other places of the law. We want to leave this an open judicial question without hindrance or advantage either to the Government or to the Wherry landowner or to the services.

Mr. BRIDGES. As I understand, the Senator proposes to strike out all after the period which follows the word "court" on line 24, through the word "and" on the first line of page 154.

Mr. STENNIS. If the Senator will read with me, beginning on line 24, the amendment, if adopted, will read like this:

Any commission appointed hereunder shall have the powers of a master.

That language omits all reference to the words "elements of value."

Mr. BRIDGES. Will the Senator from Mississippi read again what would be deleted?

Mr. STENNIS. On page 153, beginning in line 24, the sentence commencing at that point will read as follows:

Any commission appointed hereunder—

And then there will be omitted the following words—

shall give full consideration to all elements of value in accordance with existing law and.

And then, under the change, the sentence will continue. As thus changed, the sentence will read as follows:

Any commission appointed hereunder shall have the powers of a master provided in subdivision (c) of rule 53 of the Federal Rules of Civil Procedure—

And so forth. Of course, the latter is another subject matter, and relates to the power to call witnesses.

Mr. BRIDGES. Mr. President, will the Senator from Mississippi accept an amendment reading as follows:

Any commission appointed hereunder shall give full consideration to all elements of value to the Government and shall have the powers of a master provided in subdivision (c)—

And so forth.

Mr. STENNIS. We would respectfully have to decline to recommend that amendment, for the reasons already stated, namely, that we want to keep this a wide-open matter of judicial procedure. The rules of evidence under the judicial system prevailing in the particular locality would prevail.

Mr. BRIDGES. Let me ask whether the Senator from Mississippi has been instructed by the committee to oppose all amendments.

Mr. STENNIS. The subcommittee has gone into the matter so thoroughly and so fully that we have concluded that we shall have to oppose any amendments which would seek to write into the bill any provision regarding elements of value in respect to the judicial proceedings.

Mr. BRIDGES. But the Senator from Mississippi has already eliminated a part of the language, by agreeing to accept an amendment.

Mr. STENNIS. We decided that the language we had placed there possibly did introduce elements of value which were found at some places in the law—for instance, in the law on the Public Housing Administration. Therefore, we struck out that clause, so as to make certain that the door to the courtroom would be open, with no hindrance or no advantage to anyone.

Mr. BRIDGES. But the Senator from Mississippi has changed the position of the subcommittee in respect to not accepting amendments.

Mr. STENNIS. We were convinced that we had left doubt about the position we wished to state clearly and firmly; and the language I have read is in line with that conviction on our part.

Mr. BRIDGES. However, the Senator from Mississippi has now accepted one amendment.

Mr. STENNIS. But the amendment the Senator from New Hampshire has proposed would be directly contrary to the purpose of the subcommittee in having the language changed in the way the subcommittee has asked the Senate to change it.

I assure the Senator from New Hampshire that we are not being arbitrary. We have had this matter under consideration and study for years. We believe that with the courtroom door open now, without any hindrance, limitation, or favor to any party, this problem probably will be solved; and with the door to the courtroom open, the negotiators will more easily be able to get together.

Let me say that I appreciate the interest of the Senator from New Hampshire in this question.

OVERSEAS BASES

The bill would authorize some $250 million for the construction of facilities at various overseas bases. Approximately 280 major overseas bases are utilized by our military forces throughout the world—excluding, of course, certain small and isolated stations.

As of June 30, 1957, approximately 41 percent of our Armed Forces were stationed either abroad or with the operating forces afloat or mobile. Today's percentages are quite similar.

At this point I should like to call attention to the figures at the top of page 48, which indicate the magnitude of the dollar authorizations past, present, and estimated future, pertaining to the bases covered by this bill, alone.

During the hearings, we requested that Department of Defense furnish similar figures for all overseas bases, but it was impossible to receive the information in time for it to be included in the report. We have indicated to the Defense Department that we expect these figures to be furnished at the time of

submission of next year's construction bill.

The figure we had for overseas base construction—and the figure is limited, of course, to bases covered by the authorizations included in the pending bill—is $6,925,966,000. That amount includes estimated future authorization requirements for the completion of the bases, and also includes some authorizations which have not yet been utilized. But this is the only way to understand the magnitude of the developments we are making year by year.

I know that I speak for the other committee members when I say that we have no quarrel regarding the need for certain overseas bases. In fact, such are essential to our national security. However, there is one area of grave concern. I refer to the apparent trend toward increasing overseas costs and personnel strengths. For example, while the total military and civilian operational personnel decreased during the 14 month period ending March 1957 from approximately 690,000 to approximately 640,000, during the same period the overseas dependent population increased from approximately 348,000 to approximately 409,000. It is difficult to believe that this betters our overseas combat capability. So we ask the question, "How far are we going when, at a time when we are decreasing the overseas operating personnel by as much as 50,000 persons, we increase the dependent personnel by 61,000 persons?"

Salary costs alone on the above figures, predicated on an average of $5,000 a year for military individuals and $6,000 a year per civilian, create an annual payroll of nearly $3½ billion. It is estimated that $10,000 is required to move a family overseas.

In the report we call upon the Secretary of Defense to review this situation, because if constant vigilance is not maintained, the following unacceptable conditions could result:

First. Individuals and units stationed overseas could become so engrossed in their own daily housekeeping that they would do serious damage to their military mission.

Second. Unacceptable immobility, due to the imbalanced percentage of noncombatants to combat troops. Large and vulnerable numbers of dependents stationed in potential theaters of combat might well introduce personal considerations into the minds of those who should be solely preoccupied with military operations. It is to be noted that at one Air Force installation within easy reach of potential enemy missiles, approximately 82 percent of the officers and 46 percent of the airmen are accompanied by their families. There are 3,200 high school and elementary students attending base schools—and this in an area where mobility is said to be one of the prime methods of defending the base—if "defense" is the proper word.

Third. The cost of maintaining and providing logistical support for overseas installations could exceed their military value.

REAL ESTATE

I shall not take the Senate's time today, unless there are questions, to cover in detail the real property under the control of the Department of Defense. The data are set forth, commencing on page 50 of the report. There are approximately 27 million acres under the control of the military in the United States.

While the report acknowledges the Department of Defense efforts toward the disposal of surplus real estate, it indicates that the committee is frankly disappointed at the results obtained so far, and expects the Secretary of Defense, who should no longer have any doubt about his authority, to move rapidly in this field.

COMPETITIVE BID PROCEDURES AND CONTRACT SUPERVISION

On page 55 of the report there is shown a tabulation which indicates the comparative procedures of competitive bid contracts versus negotiated contracts for military construction during the past 5½ years. The committee is pleased to note that the experience in the construction field indicates that more than 90 percent of all contracts have been let on a competitive bid basis.

I believe that the Senator from Washington [Mr. JACKSON] will have a special word to say about this matter. He is very familiar with it, and also with the provisions of the bill in regard to competitive bids.

We are glad to report that more than 90 percent of all contracts have been let on competitive bids, although it is obvious that some have to be let otherwise.

HOSPITALS AND DEPENDENT MEDICAL CARE

At this time I should like to draw the Senate's attention to page 56 of the report, pertaining to hospital and dependent medical care. It is obvious that medical facilities are not being utilized to the extent of their capacity. At the beginning of calendar 1958, the normal bed capacity of the medical facilities of the three services was approximately 85,000. The daily average of beds occupied was less than 31,000. Dependents occupied less than 6,000 of this 31,000, and, as may be remembered, other legislation previously passed by Congress has provided that dependents may receive certain medical care, either at military installations or local civilian medical facilities under a health plan, as determined by the Secretary of Defense.

In view of the lack of complete utilization of existing medical facilities, the committee adopted the policy of recommending for disapproval, at least for this year, hospital facilities designed to replace existing ones, and until the committee is convinced that maximum utilization is being accomplished at existing facilities.

Perhaps this matter will come up during the debate on the appropriation bill. The cost schedule with reference to this program begins on page 56 of the report and continues on page 57.

Until the matter is cleared up and a preliminary policy established, we thought we should not continue building further military hospitals except in isolated areas, because, under this medical care program, it has developed, within the last year and a half, in many places that the hospital population of the area has been quickly depleted. Until a firmer policy is established, we thought we should not approve replacement hospitals in this bill—and there are not many in it—except some small ones in places where hospital facilities do not otherwise exist.

We had hearings with reference to the National Guard and other Reserve unit construction programs.

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

Mr. STENNIS. I yield.

Mr. REVERCOMB. I wish to express my thanks to the distinguished Senator from Mississippi, who has so ably presented the bill authorizing military construction. There is no greater need in our country today than the maintenance of our military strength. I express my admiration to the committee, through the Senator from Mississippi, which has so ably dealt with this highly important subject. It is for the security of the country. At the same time I express my appreciation for what has been provided for my own State of West Virginia. For many years there has been a neglect of and a passing over of my State in the matter of military installations which are justified. Therefore, the Senator from Mississippi will understand my feeling of approval that the Senate has added to the bill quite a number of installations in my State with respect to the Army National Guard, and also for the Army Reserve and the Air National Guard. While quite a number of those projects did not appear in the House bill, I am particularly gratified that they are included in the Senate version of the bill.

I express the hope to the Senator from Mississippi that when the bill goes to conference the Senate conferees will stand by the authorizations provided in the bill, which are so badly needed in my State. I hope the House conferees will agree to them in conference, and that the great need for them will be pointed out and sustained.

Mr. STENNIS. I thank the Senator for his remarks, which are so timely. We think one of the great morale builders of the whole military program is the maintenance of the Reserve Components, including the National Guard, which is a source of military pride as well as patriotism. We hope we can prevail in conference. I am sure the Senator realizes the bill does not provide the money.

Mr. REVERCOMB. I realize the bill does not carry the appropriation, but it is the first step in authorizing construction. I may point out to the Senator that the matter is one which goes beyond a question of pride; it has become a matter of necessity for our defenses. Up to now my State has lagged behind in the authorization of military installations. The bill now presents a great step forward. It is a needed step at this time when the defenses of our country must be kept modern and alert. These branches of the service are just as essential to the security of our country as are any part of our defense forces.

Again I express to the Senator and to his committee my appreciation and my feeling of gratitude for considering these very needed projects, and for placing them in the bill.

Mr. STENNIS. I thank the Senator. We found that throughout the Nation $35 million of local funds had already been appropriated by local authorities and States and were awaiting matching funds.

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

Mr. STENNIS. I yield to the Senator from Pennsylvania.

Mr. CLARK. I thank my friend for his courtesy. I should like to commend him, as so many of our colleagues have done, for the splendid and painstaking job he has done in putting this complicated bill together and coming before the Senate with a measure which I feel will have the overwhelming approval of the Senate.

There is one item about which, as a Senator from the Commonwealth of Pennsylvania, I am a little disappointed. If the Senator will indulge me, I should like to outline the situation briefly and then ask him a question or two.

Mr. STENNIS. Very well.

Mr. CLARK. On page 4 of the House bill there was an authorization for $2,274,000 for three projects to be undertaken at Carlisle Barracks, near Carlisle, Pa., where, as the Senator well knows, the Army War College is located. I think it is the oldest military post in the United States of America. As the Senator knows, the Army War College is one of the finest of our institutions, and of the greatest possible use in adequately training members of the Army for their profession.

In the Senate version of the bill, however, on page 85, the House authorization has been reduced from $2,274,000 to only $374,000, the net effect of which is to permit the acquisition of approximately 50 acres of land which are very badly needed by the War College to round out the property which it owns and to make it possible, at a later date, to erect a hospital. The Senate committee version of the bill would also authorize a small amount of money for a couple of additional officers' houses. But the principal reduction is due to the fact that the hospital which was urged on the committee by the Army, and which was accepted by the House, has been cut out of the Senate committee substitute.

I have had an opportunity to review the hearings in this regard. I ask the indulgence of my colleague while I turn to page 625 of those hearings, where the justification for that hospital is set forth. To me it appeared to be a complete and thorough justification. I shall read the key sentence:

> The denial of this project would cause the continued use of a highly unsatisfactory facility which is both inefficient and costly to operate. Also, it will not allow the consolidation and joint utilization of facilities as proposed by the Department of Defense; therefore, the benefit and economies in materials and personnel cannot be effected.

I wonder if my friend from Mississippi would object if I asked unanimous consent to have the detailed justification for the project, which appears on page 625 of the hearings, made a part of the RECORD at this point.

Mr. STENNIS. There is no objection from the committee.

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

Detailed justification follows:

Hospital, 50 to 100 bed, 50,000 square feet ($1,920,000): The present hospital serving this installation is a collection of buildings which have been erected over the past 48 years. The permanent part of this plant was built in 1908 and contains 14,770 square feet. With the event of World War II, it was necessary to expand this hospital by the construction of mobilization-type structures. As a result, a very inefficient hospital plant evolved, with administrative offices, obstetrical, outpatient, and laboratory facilities in the permanent building. Bed space, dining facilities, X-ray, surgery, and the dental clinic are in one-story wood buildings of mobilization design sited across a main highway. Supply and service facilities are housed in wood buildings located approximately one-half mile from the remainder of the hospital. The dispersion of the various hospital elements throughout the buildings noted above, is contributory to the inefficiency of this hospital plant. The permanent two-story building has outlived its useful life, in that electrical, plumbing, and mechanical systems were not designed for present day load or service. Over 48 years, the requirements for various scientific or professional equipment has changed and this building was not designed for this equipment. As a result, many deficiencies in space or facility exists. Also, methods and procedures used in medical treatments have changed over the period of life of this building. This creates many problems and inefficiencies.

The wood temporary buildings have long outlived their expected useful life. They were designed for mobilization use and do not have the finishes, appurtenances, or structural stability characteristic for long-range utilization. Also, these buildings are combustible and constitute a fire hazard.

The permanent building is separated from the temporary structures by a heavily traveled main highway. The buildings where patients are housed are located less than 40 yards from a main line of a railroad which has considerable freight traffic, thus creating a noise level that is highly detrimental to patients. Also, the cleanliness of the hospital due to fly ash is a constant problem due to location of the post central heating plant, which is approximately 150 yards from hospital buildings.

Based upon the local hospitalization rates, experience, and long-range strengths to be served (5,200), and the hospital bed requirements of the other military services, in this area, the size has been determined. This hospital will provide hospitalization for all military personnel and their dependents, living in the Carlisle-Harrisburg area.

The permanent building will be diverted to administrative use, while the temporary wood buildings will be demolished.

The denial of this project would cause the continued use of a highly unsatisfactory facility which is both inefficient and costly to operate. Also, it will not allow the consolidation and joint utilization of facilities as proposed by the Department of Defense; therefore, the benefit and economies in materials and personnel cannot be effected.

Mr. CLARK. Mr. President, I wonder if the Senator from Mississippi can tell me the thinking of the committee as to this particular project, which appears, at least, to be in the public interest, and which I think would result, in the end, in economies and greater efficiency, but which was deleted by the Senate, although approved by the House.

Mr. MARTIN of Pennsylvania. Mr. President, I wonder if the Senator from Mississippi will yield to me before he answers the question.

Mr. STENNIS. The Senator from Pennsylvania has a statement on this particular item, I assume.

Mr. MARTIN of Pennsylvania. Mr. President, I join my distinguished colleague in his statement with reference to the Carlisle Barracks. The Carlisle Barracks is the oldest fort in continuous service in the United States, except for the period when the Carlisle Indian School was at those barracks. It might be interesting to my colleagues to know that the old guardhouse, still in existence, was built by Hessian prisoners during the Revolutionary War.

The Carlisle Barracks is now used for our War College. The War College is where we train the men to do the high echelon staff work. These men ought to have fine surroundings, because they have a most difficult job. I have spoken at the barracks several times. The finest young men of our Army are trained there.

I think what my distinguished colleague is asking for would be a great morale builder, if the committee feels the proposal can be sustained in conference. I sincerely hope the distinguished Senator from Mississippi will be agreeable to taking the matter to conference, because I think it would be very helpful to have it provided. I was at Carlisle Barracks not long ago. The item refers to a piece of ground which will add greatly to the surroundings and be a great morale builder.

It is necessary to have the staff elements of our Army developed as rapidly as possible during these critical times.

I apologize for interrupting, and I apologize for taking up the time, but I want to associate myself with the remarks of my distinguished colleague.

Mr. STENNIS. I thank the Senator from Pennsylvania.

Mr. President, the statements made by the two Senators from Pennsylvania have really been helpful in getting all the facts before the Senate on the very timely point which they raise as to an important institution.

A part of our position with reference to striking the authorization for the installation from the bill was the uncertainty of the medicare program, which is going to have to be settled in the next few days in the major defense appropriation bill. I have alluded to that somewhat already.

We find some costs are running $50 a day, whereas the cost in the Army hospitals is only $26 a day. We thought this matter was being brought to a head and that we would hold up authorization of additional hospitals until the point ..as cleared up. On a second look, any hospital which is actually needed and in which the population of patients is not likely to be greatly lessened under the medicare program, whatever form

the program takes, we would not hesitate to agree to in conference. This hospital will be considered in conference, and I can assure the Senators it will have additional consideration at that time. In the meantime, the statements the Senators have made have been helpful, and we expect to run a special check as to the prospects of permanent need. We do not want to build another installation at a place where the patients will go to private physicians.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. STENNIS. I am glad to yield further.

Mr. CLARK. I had in mind offering an amendment to the bill which would reinstate the item of $1,930,000 of authorization which the House granted and the Senate committee struck out. I am not insensible to the lack of much chance of having such an amendment agreed to unless my good friend from Mississippi is willing to accept such an amendment, and of course I realize he cannot accept every amendment proposed on the floor. However, I should like to ask the Senator the direct question: Is he willing to accept such an amendment?

Mr. STENNIS. The committee would not want to accept an amendment at this point, Mr. President. However, as I said, we can certainly assure the Senator from Pennsylvania that this matter is under continuing consideration. We have already requested that the services provide an additional report and a special report on this hospital, with consideration to be given to the idea of permanence. We are not only going to reconsider the matter, but I think the Senator is going to have a pretty strong case. We will doubtless, by that time, I think largely on this floor, have determined the medicare program.

Mr. CLARK. Mr. President, will the Senator yield further briefly?

Mr. STENNIS. I yield.

Mr. CLARK. In view of the comments the Senator has made, I hope that when the bill goes to conference he will have an open mind, as I am sure he will, with respect to the arguments which I am confident will be proposed by the other body in support of their authorization.

Mr. STENNIS. The Senator may be assured, certainly, speaking for the Senator from Mississippi and I think for other members of the subcommittee, as well as all the conferees, that that will be the case.

Mr. CLARK. My distinguished friend is also a member of the Senate Committee on Appropriations, and I am sure in due course an appropriation bill to implement the authorization bill will be before the Committee on Appropriations. It is my understanding that because of certain procedural difficulties the House appropriation bill does not include even the $374,000 which the Senate authorized.

Mr. STENNIS. Yes.

Mr. CLARK. I ask my good friend whether he can see his way clear to taking a pretty strong position in the Senate Committee on Appropriations to provide for Pennsylvania at least that much of the money, so badly needed, to round out a very important installation.

Mr. STENNIS. The Senator from Mississippi can only go this far on that question, Mr. President: With respect to the authorizations we are recommending in this bill, under the facts before us, the Senator from Mississippi would expect to favor an appropriation. However, we do take another look at the entire picture, of course, in the Committee on Appropriations. It is possible that some items, including those of interest to the Senator from Pennsylvania, would fall in the category which would have to be deferred. I would want some freedom in that regard.

Mr. CLARK. My only hope is that when my good friend takes his look at the matter it will be with his usual kindly disposition, that there will be no steel in his eye, and that he will think pretty hard and pretty long about needs of Carlisle Barracks for the money.

Mr. STENNIS. I am always pleased when I can please the Senators from Pennsylvania.

The senior Senator from Pennsylvania was one of my early guides in the Senate in the Committee on Public Works. Whenever I want to ask a military question for his decision, I call him "General," and whenever I want to ask for a decision on a senatorial matter I call him "Senator."

I have been favored, certainly, with the alertness and thoroughness of the junior Senator from Pennsylvania in the presentation of matters with reference to his State. The Senator makes a very strong appeal today. We will give the matter a second look.

Mr. CLARK. I thank my friend for yielding, and for his courtesy in considering this item.

Mr. STENNIS. Mr. President, I thank the Senate for the consideration and attention which Senators have given to the bill. I hope my colleague, the Senator from Washington [Mr. JACKSON], will be ready to proceed in a moment.

I should like to add a few words with reference to the National Guard and Reserve programs.

RESERVE COMPONENT CONSTRUCTION REQUIREMENTS

As I have previously indicated, this year for the first time the annual construction bill includes authorizations for both the active forces and for the Reserve components. By Reserve components I mean the Organized Reserves and the Army and Air National Guard.

The bill upon which the committee took testimony in this field was S. 3863. Its provisions as recommended by the committee were included under title VI of this bill and a description of the committee's actions appears on page 58 and then again on page 94.

As originally presented, S. 3863 contained authorization requests in the amount of approximately $30 million, divided between the Navy and Marine Corps, $11,892,000, and the Air Force Reserve and Air National Guard, $18,248,000.

No additional authorizations were requested for the Army National Guard and the Army Reserve because the Department of Defense indicated that there existed a carryover in the fiscal year 1959 program from prior year authorizations in the amount of approximately $45 million. The inference was that the $45 million was adequate to provide construction for the next 12 months. The committee took exception to this philosophy. It considers that the National Guard and the Organized Reserve are absolutely essential to the national defense. It firmly believes that our Reserve components must be provided with adequate armories and the other facilities needed for their training.

Testimony taken last year indicated that of the 2,000 locations where Army Reserves training was being carried out, a little better than 500 were considered adequate and that the Army National Guard had a requirement for 800 additional facilities. The lack of request for additional Army Reserve and National Guard authorizations is most surprising in view of the fact that the committee is informed that various States and communities have already made available approximately $35 million as their contribution toward participation, and if the Federal Government were to provide its 75-percent share, there would need to be made available almost $100 million more in authorizations and funds.

Testimony from senior National Guard officials indicated a dire need for many new National Guard armories. At the committee's request, the National Guard Bureau submitted a list of 142 projects. The Guard Bureau testified that these projects were in accord with requests and priorities established by the adjutants general of the States involved, and that State-matching funds and sites were already available. The Guard Bureau's letter of transmittal also indicated that these projects, both armory and nonarmory, had been reviewed for compliance with defense criteria and that they met continuing requirements in accordance with the new forces structure of the Army National Guard—that they are all most essential and eligible for Federal participation.

As a result the committee added line item projects for the Army National Guard in the amount of approximately $23 million and for the Army Reserve in the amount of approximately $5 million.

With regard to the previously mentioned $45 million carryover, during the course of the hearings, the Assistant Secretary of Defense for Properties and Installations, by letter dated June 18, 1958, furnished the committee a list of projects for each reserve component showing them by location, type, and indicating those for which existing authorizations would carry over into fiscal year 1959. This list appears in the printed hearings beginning on page 836.

In taking the action to add the line item projects for the Army National Guard and the Army Reserve mentioned previously, we want to make completely clear that this additional authorization would be in addition to projects heretofore approved and in addition to those covered in the carryover list conveyed by Secretary Bryant's letter of June 18. The added authorizations recommended by the committee are not intended as a

priority but rather as a supplement to the carryover list.

The additions to the Army National Guard portions of the bill to those furnished by the National Guard Bureau because these were stated to be consistent with the priority selections made by the Adjutants General of the various States and were in conformance with defense criteria.

However, in order to assure that projects not now included on this list but which might become eligible prior to the submission of next year's construction bill, 10 percent flexibility has been provided in section 607 (b).

CONCLUSION

I invite the attention of the Senators to the fact that the committee report contains a breakdown by State and by military department. The State breakdowns begin on page 102 of the report and the title breakdown by department begins with title I of the Army on page 61.

In many instances it was difficult to make decisions. We endeavored to review each problem on a fair and impartial basis. The committee claims no infallibility but hopes that it has exercised its best judgment, bearing in mind the requirements of national defense.

Without further detail, Mr. President, and as the committee report is before each Member, and I hope adequate to provide information of the specifics, I will now be happy to attempt to answer any further questions that my colleagues may have.

Mr. President, I should like to express my special appreciation to the Senator from South Dakota [Mr. CASE] and the Senator from Washington [Mr. JACKSON].

Mr. President, the Armed Services Committee recommends the bill be given favorable consideration, as reported.

Mr. President, I yield the floor.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield to me before he yields the floor?

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Does the Senator from Mississippi yield to the Senator from Pennsylvania?

Mr. STENNIS. I yield.

Mr. MARTIN of Pennsylvania. I should like to ask a question for information. I have appreciated and enjoyed very much the Senator's very fine report. I should like to offer at the proper time an amendment to provide another armory in the Commonwealth of Pennsylvania. Is this the appropriate time to offer such an amendment?

Mr. STENNIS. We have some small committee amendments to be considered. I think those amendments should be considered first, Mr. President, and then amendments from the floor would be in order.

Mr. JACKSON. Mr. President, the distinguished chairman of the subcommittee has made a very able and comprehensive presentation of the pending measure. I see no need to review the bill as a whole.

I should like to say, however, that the able chairman of our subcommittee and my colleague from South Dakota [Mr. CASE], who is unable to be present today because of official business elsewhere, together with the professional staff member, Col. Kenneth BeLieu, have made a real contribution, I must say, in bringing before the Senate a bill which carries out the established military policy of the United States and at the same time brings about some reasonable economies.

We are all aware that military expenditures are going up. The Congress, particularly the Senate, is now in the process of adding a very substantial sum which will be considered shortly in connection with our overall defense appropriations.

I point out that the committee has brought about reductions totaling about half a billion dollars. The reductions, for the most part, represent fat that we can get along without. The bone and the muscle are in the bill. We have done nothing to weaken the military posture of our country. On the contrary, in this bill we have provided the necessary military construction support to carry out the established military policy of the Nation.

The committee report, ably prepared by Colonel BeLieu, is an invaluable bible of information, essential in the consideration of the pending measure.

It was said earlier in the debate that it would be well for Members of the Senate and their staffs to read in particular that portion of the committee report beginning on page 10, which sets forth the military policy of the country and gives to Members of the Senate a detailed policy statement, which is so basic to an understanding of the bill before us.

I invite the attention of Members of the Senate to the fact that in our effort to bring about as great a saving as possible we have not lost sight of the defense needs of the country.

I read from page 55 of the report, beginning near the bottom of the page:

> The committee is pleased to note that the experience in the construction field indicates that better than 90 percent of all contracts have been let on a competitive-bid basis; however, it feels that improvements can still be made. It recognizes, of course, that under certain classified conditions and at special overseas locations it may be necessary to resort to negotiated contracts. There is a grave danger, however, that negotiated procedures may result in excessive costs and inefficiency, especially when adequate supervision by qualified military and civilian engineers representing the Government is not constantly maintained. The committee particularly views with alarm the growing trend to let huge contracts for the construction of missile facilities on a negotiated basis. The use of package-type contracts for design and construction activities with industrial manufacturers could well result in the following:
>
> (a) Large sums of appropriated funds controlled and expended as the contractor sees fit.
>
> (b) Excessive concentration of vast sums of money in the hands of a single contractor.
>
> (c) Inadequate or no supervision of the design and construction by qualified representatives of the Government.
>
> (d) Competition between two or more military services for resources, materials, equipment, and personnel.
>
> In view of the foregoing, section 506 of this bill repeats the language contained in previous construction bills to the effect that, insofar as possible, contracts under this act should be awarded on a competitive basis to the lowest responsible bidder. In addition, section 506 provides that contracts which shall be executed by the United States under this act shall be executed under the jurisdiction and the supervision of the Corps of Engineers, Department of the Army, or the Bureau of Yards and Docks, Department of the Navy, unless the Secretary of Defense in special cases determines otherwise.

This is an area in which we can save some money. It has been the policy of the subcommittee to watch construction items very closely. As a result of the vigilance of the subcommittee, millions of dollars have been saved by forcing the Department of Defense to let more and more work on a competitive bid bases. We have very properly given to the Secretary of Defense the necessary flexibility to let contracts on a basis other than competitive bid in special instances when it is in the interest of the United States to do so, for reasons of national security for example.

I conclude my remarks by saying that in its undertaking we have tried conscientiously to provide the bone and the muscle to support the established military policy of our country, and at the same time effectuate the savings which the people of the country have a right to demand. I believe that our savings have been reasonable, and I know that they will not interfere with the military posture of the country.

Mr. BUSH. Mr. President, I wish to join my colleagues who have complimented the distinguished Senator from Mississippi [Mr. STENNIS], the distinguished Senator from Washington [Mr. JACKSON], and the distinguished Senator from South Dakota [Mr. CASE], on the splendid report which they presented to the Armed Services Committee, and which has become the report of that committee to the Senate.

Military construction has become a tremendous enterprise. It is a bigger enterprise than it has ever been before, although perhaps not in total amount of dollars, which is approximately $2,600 million.

This report this year is in the nature of a bible on the subject of United States military policy. The distinguished Senator from Georgia [Mr. RUSSELL] and the distinguished Senator from Washington [Mr. JACKSON] called attention to the discussion of the United States miiltary policy as it appears in the report. I believe it is such an important outline, and would be of so much use to Members of the Senate, as well as to the many thousands of people who read the CONGRESSIONAL RECORD, that I ask unanimous consent that the outline, as it appears in the report from the bottom of page 10 to the top of page 31, be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. BUSH. I shall certainly support the bill. I do not believe we have any choice at this time except to support it. Nevertheless, I am staggered by the magnitude of the future expenditures which are contemplated by the armed

services. For example, I read, at page 24 of the report:

> Witnesses before the committee have indicated that if all the defense systems currently being contemplated by each service were to be established, the total cost would be close to $8 billion per year for the next 5 years and $5 billion annually thereafter.
>
> Secretary McElroy has stated, "The capital investment already made in this continental air defense system during the last 4½ years exceeds $13 billion. The cost of operation is now almost $2 billion a year." Information in the committee files indicates that Secretary McElroy's figures may be on the low side. Nevertheless, they serve to show the order of magnitude.

Therefore I feel I must support the proposed legislation with a heavy heart. We learned from the discussion this morning that the overseas payroll alone of our military, including civilians employed by the military, amounts to $3½ billion a year. That is only the payroll.

We now hear the Secretary of Defense being quoted in the press as visualizing the possibility that the budget for military affairs alone may approach the figure of $70 billion in the not far distant future, at the rate we are going.

Therefore we must look at the bill and at the whole military situation today with apprehension and with a very heavy heart. As I think of these matters, I am minded to look at the figures of the Federal budget in 1933, 1934, and 1935, and to put them in the RECORD at this point, by way of contrast. The total budget of the United States in 1933 was $5,100,000,000; in 1934, $9,900,000,000; in 1935, $4½ billion. We may contrast these figures with the figures we are talking about now, when we have a budget of approximately $80 billion.

I note from the press service tickers that the Secretary of the Treasury today, before a House committee, has revised his estimate of the deficit we face in the budget for fiscal year 1959 to $12 billion. We go merrily on, with an apparent lack of concern for this terribly serious situation.

I do not believe any other government in the world would dare face its people with a deficit of the proportions which our Federal Government faces this year. No town, no city, no State in the United States would dare face its people with proportions such as those which a $12-billion deficit poses in our whole expenditure program. This points up the need for the Members of the Senate, as well as the Members of the House of Representatives, to give thought between now and the convening of another Congress as to what we shall do about this financial situation, when the Federal deficit is approaching really desperate proportions for the people of the United States.

These figures certainly suggest that one of three alternatives must be followed. First, we must make a sharp cutback in Federal expenditures other than military expenditures—a most unlikely event, judging from the record made in the present session, I am sorry to say. Or we must face the possibility of substantially increased taxes, which I fear also will be regarded as politically inexpedient and highly improbable. Or we must face indefinitely an unbalanced budget, which carries with it hidden taxation in the form of inflation. This will rob the poor people of the country far more than a tax increase could possibly affect them. This should be a matter of very serious concern to all those who live upon fixed incomes, whether they be teachers, preachers, civil servants, or whatever other occupation they may follow. It would be a matter of very serious proportions, concerning which at a later time in this week or before the session ends I intend to have considerably more to say.

My approval of the bill goes with a heavy heart and a sense of real apprehension, because I feel we are becoming very rash and unguided in the way we attempt to manage the affairs of the people of the United States.

I think what I have said points up the need for an item veto, which has been before Congress repeatedly, but which Congress will not accept. It points up the need for a single appropriation bill, which has been sponsored by the distinguished senior Senator from Virgina [Mr. BYRD] and the distinguished senior Senator from New Hampshire [Mr. BRIDGES]. It points up the need for the passage of the accrued expenditure appropriation bill, H. R. 8002, which is now on the Senate Calendar and which, I understand, was under discussion during the morning hour. Although I was not in the Chamber, I understand the majority leader gave some assurance that it would be brought before the Senate. I hope it will be, because I think we have reached the time when we should consider every possible measure which may afford us some relief in dealing with what I consider to be a desperately bad financial situation.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. JOHNSON of Texas. I did not hear the number of the bill to which the Senator referred.

Mr. BUSH. H. R. 8002, the accrued expenditure appropriation bill, which I understood was under discussion earlier today. I was not here then.

Mr. JOHNSON of Texas. I would not want the RECORD to show that I gave any assurance that the bill would be brought before the Senate. It has just been reported by the Committee on Appropriations by a divided vote. The committee felt the bill violated some of the rules of the Senate. I stated that I would refer the bill to the policy committee for a determination of what their recommendation will be.

Mr. BUSH. I thank the Senator from Texas. I hope the policy committee will give the Senate a chance to act on the bill.

EXHIBIT 1

UNITED STATES MILITARY POLICY

Predicated on a basic national policy of nonaggression supported by the belief that a sound economy is essential to the security of the free world, it can be stated that the military policy of the United States consists of four basic interrelated and mutually supporting concepts. The foregoing represents in the committee's mind a general and broad résumé of the sum total of the various policies enunciated by senior defense officials in statements before this committee over the past several years and focalized during hearings this year. It is quite obvious to the committee that all military personnel and senior civilian officials with the Department of Defense do not agree amongst each other as to the relative importance of these four areas. In fact, each service seems to place its own unilateral measurement upon each one. Nevertheless, it is clear to the committee that these are the prime concepts upon which the various services are basing their requirements for forces. They are:

(1) Warning (because the enemy can be expected to move first).

(2) Retaliation (an offensive strike capability second to none in the event of an enemy attack).

(3) Defense (either 100 percent or sufficient to deter attack and protect retaliation forces).

(4) Limited war capability (that capability sufficient to handle brush fires or to move strategically in sufficient time and with adequate force to avoid the loss of vital strategic areas and if possible to prevent the outbreak of general war).

This bill contains authorizations designed to meet certain construction requirements relative to the above. Obviously a single bill cannot satisfy all of these requirements. While certain specific details are classified, it is possible to discuss many of the salient ones.

WARNING CONCEPT

All witnesses appeared convinced that we must establish and maintain the best possible warning system. Otherwise the adherence to a policy of nonaggression could prove fatal, especially in an era where reaction time is at a premium. The committee emphatically concurs in this concept. The warning systems must be attuned not only to the military requirements of threat from manned bombers, ballistic missiles and submarines, but also to international diplomatic and political threats. The basic military warning systems consist of:

DEW line

The distant early warning (DEW) line is designed to flash instant warning to a joint Canadian-United States combat operations center located at Colorado Springs, Colo. This headquarters is called the North American Air Defense Command (NORAD). It is designed to be effective against manned bombers and cruise type missiles, but it cannot presently cope with intercontinental ballistic missiles. It consists of a string of radar stations stretching from Point Barrow, Alaska, in the west to Baffin Island in the east and then with eastward and westward extensions into the Atlantic and Pacific Oceans, respectively.

Title III (Air Force) contains an authorization request in the amount of $25 million for the eastward extension.

The program to establish a distant early warning (DEW) line resulted from the consideration of many studies, official and unofficial, of what was needed for the early detection of an air attack upon the United States. The specific recommendation that the United States establish a DEW line came from the Lincoln Summer Study Group, which met in the summer of 1952 to discuss and study air defense problems. This group, composed of scientists, engineers, and military personnel, recommended that a line be established across extreme northern Alaska and Canada to (1) make surprise attack most difficult; (2) improve active and passive defensive capabilities; (3) minimize disruptive disorganization upon attack; and (4) make possible the concept of effective "defense in depth."

Following the summer study group recommendations, presentations on concepts were made to high level Government

agencies. As a result, the Air Research and Development Command of the Air Force was given responsibility, in late 1952, for developing techniques. In this program, the Air Research and Development Command, with Western Electric Co. as a prime contractor, constructed and tested a prototype facility in the United States.

In 1954, Western Electric Co. was given a prime contract to prepare an outline plan and systems engineering study for a warning system in the Arctic, and to proceed with the architectural work and plans for implementing the entire project. Nineteen hundred and fifty-four is considered as the date when the active portion of the project to implement DEW line began; the initial portion became operational in mid-1957.

The Air Force has increased the scope of the original project to provide for eastern and western extensions of the now operational center portion. Land-based radars in Alaska and along the Aleutian Islands are being improved, installed, and integrated into the system to provide an extended capability. Also, in order that the North American portion may be tied into NATO early warning systems, the United States is extending the line to the east. The Air Force also has active plans to modernize it with newer equipment in order to keep it abreast of the increasing capabilities of modern aircraft.

DEW line, coupled with associated airborne early warning aircraft and picket ships, should provide for prompt warning of an attack on the United States by air-breathing vehicles, such as the manned bomber and cruise type missiles such as the SNARK.

While the DEW line in its present configuration will not provide early warning of an ICBM attack, this will not negate its usefulness for many years to come. The line will be a necessary part of our air defense system as long as a potential enemy has the capability of launching an attack by manned bombers and cruise-type missiles. Present indications are that such a situation could exist many years into the future. Further, the DEW line is a valuable aid to navigation of our own and friendly aircraft in the areas covered; this can continue indefinitely.

The Air Force states that tests of the DEW line recently conducted prove it is performing within or better than design capability. It is hoped that it will never have to be used for its intended purpose; but if it is, it will be there.

The Air Force states that the programed construction costs for DEW line through fiscal year 1959 are as follows:

DEW line (main)	$297,900,000
DEW line (west)	40,000,000
DEW line (east)	45,000,000

The above figures, however, do not accurately portray all the totals involved. It has been estimated that the ultimate cost of DEW line will be in excess of $1 billion and that its annual operating cost will be around $200 million.

Mid-Canada line

DEW line is backed up by the mid-Canada line, a radar chain extending across Canada at the latitude of approximately 55° north. It is essentially a radar fence consisting of gap-filler radars (unmanned) that have the capability of warning of aircraft penetration. These stations cannot, however, determine direction or speed.

PINE TREE line

Extending roughly along the United States-Canadian border is the PINE TREE line, an integrated warning, tracking, and ground controlled electronic system which can direct interceptors to enemy aircraft traversing the area.

Aircraft control and warning

While DEW line is designed to provide the warning of penetration by enemy forces around the perimeter where it has been constructed, it is backed up and supported by aircraft control and warning stations located throughout the United States, Alaska, and Canada. A total of $125,239,000 is included in the bill for these stations. The largest increment of this warning and control program is for the first phase of the programed radar improvements. This package principally provides facilities at primary radar sites in the United States for the installation of high powered systems and long-range radars to provide a frequency diversity capability in the warning system. This is designed to improve identification capabilities as well as decrease enemy capabilities to effectively utilize electronic countermeasures against our radars. The construction involved in this type of radar improvement consists primarily of the procurement and installation of enclosed radar towers and provision of large quantities of electric power for operation of the newer high powered radars.

Several new installations are included within this category. They are as follows:

Department	Name of installation	Location	Purpose
Air Force	Sundance Air Force Station	Sundance, Wyo	Aircraft control and warning radar station.
Do	Union City Air Force Station	Union City, Tenn	Do.
Do	Hastings Air Force Station	Hastings, Nebr	Do.
Do	Pickstown Air Force Station	Lake Andes, S. Dak	Do.
Do	Lompoc Air Force Station	Lompoc, Calif	Do.
Do	P-81a	Dallas Center, Iowa	Gap filler radar site.
Do	P-34e	Alpena, Mich	Do.
Do	P-66b	Fibre, Mich	Do.
Do	P-66a	Grand Marais, Mich	Do.
Do	P-67b	Richlands Center, Mich	Do.
Do	P-20c	Marblehead, Ohio	Do.
Do	P-31b	Brooks, Wis	Do.
Do	P-31d	Mones, Wis	Do.

Ballistic missile detection system

While this bill contains no new request for the construction of ballistic missile detection facilities, the fiscal year 1958 supplemental bill authorized $189 million for 3 sites. Inasmuch as ballistic missiles may have a trajectory as high as 400 to 700 miles, the radar stations to be established at these sites must have ranges of several thousand miles. It is estimated that stations planned, because of their requirement for maximum power and other highly complicated electronic gear, would cost close to a billion dollars.

All of these previously mentioned systems (DEW line, mid-Canada line, PINE TREE line, ballistic missile detection system) are to be closely integrated in the hope they will detect enemy aircraft and missiles in sufficient time to permit our own offensive and defensive forces to go into action before an attack reaches home.

RETALIATION CONCEPT

Strategic Air Command

Currently the Strategic Air Command in the Air Force is the principal element of our retaliatory forces. All construction costs pertaining to the Strategic Air Command cannot be readily identified in this bill because in many instances the Strategic Air Command would utilize bases other than its own such as Air Defense Command facilities.

However, the total program in the bill directly attributed to the Strategic Air Command, is close to $200 million. Although operational missiles are entering into our weapons inventory and promise tremendous additions to our military capabilities, our main offensive punch is still contained in the manned bomber forces of the Strategic Air Command with its fleets of heavy jet bombers, the B–52's, and the medium jet bombers, the B–47's.

The Soviets possess the advantage of initiative and surprise. Therefore, the Air Force must be capable of maintaining its strategic offensive force in the highest possible state of readiness with the least possible vulnerability to attack, and from which it can react rapidly upon receipt of tactical warning.

SAC's capability to launch its strike force in the event of a surprise attack is dependent upon four basic factors: (1) Warning; (2) alert facilities; (3) dispersal; and (4) personnel. For each of these factors, the availability of sufficient and proper facilities is a vital element in the attainment of the required degree of capability.

B–52 facilities and dispersal: To reduce the vulnerability and increase the response capability of the heavy bomber force, the Air Force, in fiscal year 1957, initiated a program to disperse the programed 33 B–52 squadrons on the basis of a single squadron per base. At that time, 11 bases, which had been the homes for the 11 B–36 wings, were available for adaption for use by the B–52's. Each of these 11 bases has been adapted, with some necessary additional construction, to the requirements for 1 B–52 squadron plus associated tankers.

The fiscal year 1957 construction program provided construction at 11 additional existing Air Force bases, increasing the total B–52 bases programed to 22. In the basic fiscal year 1958 construction program, 5 more existing bases were expanded and adapted, making a total of 27 B–52 bases. The fiscal year 1958 supplemental program, approved by the committee last winter contained the first increment of construction to adapt an additional 6 existing bases which would provide the total 33 bases needed for B–52 squadron dispersal and their associated KC–135 jet refueling tanker aircraft.

The fiscal year 1959 construction program contains approximately $66 million for additional facilities which will substantially complete current requirements for full dispersal of the 33 B–52 squadrons.

It has also been the objective of the Air Force to disperse the medium bombers on the basis of a single wing per base. Under present plans, the medium bomber force will be located on 20 bases at the end of fiscal year 1961. Construction of one of the bases, Richard Bong Air Force Base, Wis., was initiated with funds provided last year. This program contains $13.2 million to provide a second increment of construction.

SAC tanker relocation: In the fiscal year 1958 supplemental program, authorization and funds were provided for construction which would permit the relocation of KC–97 tanker refueling squadrons from southern bases in the United States to locations in northern areas from which they can operate without delay in support of strike missions by the B–47 medium bombers. Against a current requirement to relocate 11 KC–97 squadrons, the fiscal year 1958 supplemental program provided the first increment of facilities for 9 squadrons on 8 existing bases.

The fiscal year 1959 program contains approximately $33 million for additional short lead-time items for the first 9 squadrons and for the facilities needed to relocate a second squadron on 1 of the first 8 bases, increasing to 10 the number of squadrons relocated out of the 11-squadron requirement.

Construction is also included in this authorization bill for relocation of the 11th Squadron at Brunswick, Maine. This will permit the Air Force to deploy a KC–97 squadron at an existing naval installation on a tenant basis, and in accordance with a joint-use agreement.

Alert facilities: The advent of an enemy ICBM threat dictates the necessity for capability, after initial warning, of a 15-minute response by the SAC forces to insure their ability to survive and strike back. Under this objective, it is planned that one-third of the SAC forces will be maintained on continuous alert. The achievement of this capability requires construction of special facilities at the SAC bases.

Construction of base facilities which directly contribute to such an alert capability was initiated in the fiscal year 1957 military construction program. This initial construction consisted only of the provision of a certain portion of the aircraft parking apron in an alert configuration on those bases expanded for the dispersal of the heavy bomber squadrons where an additional parking apron was needed. Following this principle, alert parking areas were provided at 7 heavy bomber bases by the fiscal year 1957 MCP and at 5 more heavy bomber bases by the fiscal year 1958 MCP.

In addition to alert aircraft parking areas, ready crew and security facilities, and supporting utilities are needed for full alert capability. The fiscal year 1958 supplemental program authorized the first sizable construction increment for SAC alert, with $24.6 million provided for construction of the first ready crew and alert facilities as well as alert pavements at additional bases for both medium bombers and heavy bombers.

The $80.9 million included in this request for alert facilities together with certain alert facilities provided as part of the dispersal package, provides short lead-time items on certain bases where projects requiring longer times for construction were started in prior years' construction programs. In addition, it provides the full alert construction requirement at bases where no long lead-time construction is necessary. This fiscal year 1959 alert package substantially completes the construction needed for achievement of the 15-minute response capability as currently planned, except for aircraft shelters in northern areas, for which the requirement has not been finally determined.

Other strategic facilities: The remaining $25.3 million under the strategic heading includes various operational and support facilities at overseas locations from which SAC units will operate or through which they will stage in wartime operations and at which they conduct peacetime maneuvers and rotation training missions. In addition, this package provides special ordnance storage facilities at SAC bomber bases in the United States.

Complete cost estimates for SAC to date were not available. It is estimated that approximately one-third of the Air Force budget for fiscal year 1958 and fiscal year 1959 is devoted to SAC.

Ballistic missiles

In the basic fiscal year 1958 and prior years' programs, authorization was provided for research, test, and training facilities at various locations for both the intercontinental and intermediate range ballistic missiles and to develop the first operational site for the Atlas ICBM at Cooke Air Force Base, Calif., and to initiate construction of a second operational site for the Atlas ICBM at Warren Air Force Base, Wyo.

The Atlas program has been accelerated by means of the fiscal year 1958 supplemental construction authorization which Congress approved earlier in this session. That construction program accelerated the completion date for the first operational site at Cooke and the operational facilities for the first squadron at Warren Air Force Base. The authorization provided by the fiscal year 1958 supplemental program also has been applied to the construction of facilities for additional Atlas squadrons.

It had been planned originally, under the fiscal year 1958 supplemental, to construct additional facilities at Warren Air Force Base for Atlas squadrons prior to proceeding with construction at additional sites. However, upon completion of the planning for these facilities, it was found that the construction activity which would be involved at Warren was of such magnitude that it could not be efficiently or economically accomplished and that completion of operational facilities for these squadrons would be delayed. It was determined, therefore, that to provide a greater number of operational Atlas sites at earlier dates, it was necessary to initiate construction at additional sites. Under this plan, facilities are being provided simultaneously at Warren Air Force Base, Wyo.; Offutt Air Force Base, Nebr.; and Fairchild Air Force Base, Wash.

The largest package in the strategic portion of this fiscal year 1959 construction program provides $165.9 million for ballistic missiles. This amount includes authorization for construction of operational Atlas facilities at one additional location, not yet firmly selected, and support facilities for both the previously programed and the new Atlas site. It also includes authorization for the construction of hardened facilities for the Titan ICBM. In addition, the fiscal year 1959 program provides for construction of operational facilities for the intermediate range ballistic missile at overseas locations and for test and training facilities for both the ICBM and the IRBM at Cooke Air Force Base.

Other strategic missiles: $29.6 million are included in the program for strategic missiles other than the ballistic type. This package contains facilities for the Hounddog and the Quail air-to-surface missiles carried by the Strategic Air Command B–47 and B–52 bombers to provide them with greater penetration capability. The package also provides facilities in the United States for the Goose which is a surface-to-surface air-breathing missile with an intercontinental range. Facilities for the Goose missile also were authorized in fiscal year 1958.

Snark

Also in the Strategic Air Command arsenal is the air-breathing intercontinental missile Snark which is capable of carrying nuclear warheads against distant targets with great accuracy. The first Snark unit has already been activated and is in the process of being manned and equipped. The first Snark missile base is being constructed at Presque Isle, Maine. No new funds were requested in this year's bill for Snark facilities. The committee strongly questions this apparent diminishing of Snark's importance for the committee has become convinced that the addition of further Snark squadrons to our arsenal is highly desirable.

Navy contribution to retaliatory forces

It might well be said that the entire fleet at sea constitutes a most important segment of this Nation's strike capability. It is difficult to distinguish between categories of the Navy's capabilities due to the extreme flexibility and mobility inherent in modern naval forces. Especially worth mentioning is the Polaris missile being developed by the Navy which gives great promise of becoming one of the decisive weapons in the history of warfare. Certain funds are included in the bill for the construction of Polaris facilities; the details are classified. It is the committee's view, however, that the Department of Defense could well have requested additional authorizations for this weapon. It sincerely hopes that Department of Defense will provide the Navy with the highest priority in the development of Polaris and will remove any obstacles which might prevent the earliest possible deployment of the Polaris system in an operational configuration.

Jupiter

While Jupiter is an Army-developed weapon, its operational assignment has been given to the Air Force. It has similar characteristics to the Thor. Jupiter's success to date indicates that it apparently can be fully operational in the immediate future. The committee notes with interest and some concern, the duplication of effort between Jupiter and Thor. It can understand the need for some duplication in research and development. It cannot condone duplication in operational deployments. The committee certainly hopes the Secretary of Defense will, if this type of duplication is imminent, make a decision based on the relative merits of the two weapons and not on the understandable service pride in authorship.

DEFENSE CONCEPT

All weapons systems can rightly be cataloged in certain of their applications as supporting the concept of defense. In this report the committee directed itself only to those which pertain to the continental air defense field.

Under the command of the North American Air Defense Command (NORAD), Colorado Springs, Colo., there are assigned approximately 200,000 Americans and Canadians along with nearly 2,000 aircraft and hundreds of antiaircraft weapons. Predicated upon the information flashed to NORAD by the warning system, the NORAD command control system depends upon the semiautomatic ground environment system (SAGE) and related facilities as a medium of controlling and coordinating its various weapons.

SAGE

The SAGE (semiautomatic ground environment) system, under present plans, involves the construction of technical and support facilities for 36 SAGE centers (computers) for 29 SAGE sectors (locations). SAGE centers 1 through 26 have been constructed or initiated with authorizations provided in the fiscal year 1958 supplemental and prior construction programs. The fiscal year 1959 authorization request includes $41.1 million for technical facilities for SAGE centers 27 through 31, support facilities for centers previously authorized, and communications facilities at various radar sites to tie their operation into the automatic features of the SAGE system. It is estimated that the SAGE system will eventually cost approximately $1 billion and require approximately $400 million for its annual operation.

Joint manual direction centers: $16.9 million are included in the program to provide the Air Force portion of a joint Army-Air Force operated missile defense center system inside the United States. Present plans call for a number of centers in this system, also known as the Missile Master, with the Air Force being the host at some centers, and the Army being the host at the other centers.

This authorization request will provide technical and support facilities at the Air Force locations and technical facilities only at the Army locations.

Fighter interceptors

There are approximately 70 squadrons of Air Force interceptors of 25 planes each assigned to NORAD. These consist of the F–100 series fighters with the old F–86 Sabrejet and the Lockheed F–94 Starfire being gradually phased out as newer planes are deployed. No specific overall cost estimation of the fighter-intercepter effort is available at the time of this printing. However, set out below are certain cost estimations from which some conclusions can be drawn.

One fighter-interceptor squadron

[In millions]

INITIAL INVESTMENT

Aircraft and spare parts	$40.0
Equipment	.3
Facilities	25.0
Training	8.0
Total	73.3

ANNUAL COSTS

Pay and personnel	$5.0
Equipment replacement	2.0
Supply	3.0
POL	.5
Total	10.5

The committee has been informed that in all likelihood certain of the fighter-interceptor squadrons will be phased out as Bomarc is deployed.

Bomarc (IM–99)

Bomarc is a surface-to-air long-range interceptor guided missile of supersonic speed designed to operate at high altitudes. It is produced by Boeing Aircraft Co. It launches vertically and cruises on twin ramjet engines at a speed faster than sound. It is guided by the latest available electronic systems. Bomarc has been successfully tested in a series of firings from Patrick Air Force Base, Fla., against high-flying drone aircraft over the ocean. The Bomarc's range should enable it to destroy enemy planes at a far greater distance than any other missile assigned to NORAD.

Ninety-two million dollars for the construction of Bomarc sites is included in the Air Force request (originally this amount was $122 million but the Air Force revised its estimates). Construction of facilities for this missile was initiated in the fiscal year 1958 construction program at four locations: McGuire Air Force Base, N. J.; Suffolk County Air Force Base, N. Y.; Otis Air Force Base, Mass.; and Dow Air Force Base, Maine. The fiscal year 1959 request will add facilities at 10 additional locations: Niagara Falls Municipal Airport, N. Y.; Ethan Allen Air Force Base, Vt.; Kinross Air Force Base, Mich.; Duluth Municipal Airport, Minn.; Langley Air Force Base, Va.; Truax Field, Wis.; Paine Air Force Base, Wash.; Camp Adair Air Force Station, Oreg.; Travis Air Force Base, Calif.; and Cooke Air Force Base, Calif.

The committee estimates that if the Bomarc system is developed as currently envisaged, it may cost as much as—if not more than—$6 billion.

Army air defense command

The Army's structure within the North American Air Defense Command is the second largest Army combat command in the world. It has been stated that approximately 7 to 10 percent of the entire Army effort is devoted to this activity. The basic weapons assigned or soon to be assigned to Army units are the Nike family (Ajax, Hercules, Zeus, and Hawk).

Nike-Ajax

Named after Nike, the Greek goddess of victory, the Nike-Ajax is a supersonic surface-to-air missile designed to intercept and destroy enemy aircraft or air-breathing missiles. It is the only fully operational surface-to-air missile system in the Free World today. It uses a command guidance system employing one radar to track the target and another to track the missile. A computer receives data from the radar and calculates the commands required to bring the Nike into interceptor course.

Approximately 60 battalions of Ajax are now deployed around key industrial and highly populated strategic areas. Ajax is a missile about 20 feet long and 1 foot in diameter; uses a solid propellant booster and a liquid sustaining motor. There are approximately 100 officers and men in a Nike battery.

Nike is being superseded and replaced in part by Nike-Hercules.

Nike-Hercules

This is a further improvement on the original Ajax. It is a similar type missile and designed in similar type proportions. Its range and other operational characteristics are considerably better than Ajax, however. It is a dart-shaped missile, 27 feet long, assisted by a 14½-foot-long booster. It uses solid propellant throughout. It can carry an atomic warhead. It is produced through the combined efforts of Army Ordnance Corps, Western Electric Co., the Bell Telephone Laboratories, and the Douglas Aircraft Co., together with essential subcontractors.

If the Nike (Ajax and Hercules) systems are developed in accordance with certain existing plans, the committee estimates that the combined total cost will be in the neighborhood of $6 billion.

Hawk

This is a missile designed to reinforce the low-altitude capability of our defense system. It is the only weapon capable of a low-altitude defense currently being placed in inventory. Hawk is also a supersonic surface-to-air guided missile with exceptionally high rate of fire and very short reaction time. It is designed not only to meet static situations but also deployment with tactical field forces.

It uses solid propellant, is approximately 16 feet long and 14 inches in diameter. The Raytheon Manufacturing Co., of Massachusetts, is the prime contractor with Northrup Aircraft, of California, as the major subcontractor.

Missile Master

Important to the control and operation of previously mentioned antiaircraft missiles is the Missile Master, which is a combination of electronic computing equipment designed to coordinate large numbers of surface-to-air projectiles. By electronic means it converts target location to usable data and transmits rapidly changing information instantaneously to the various controlling locations.

As stated before, this year's construction authorization bill originally contained in the Army title a little better than $137 million for facilities incident to the Nike-Ajax and Hercules, Hawk, and Missile Master.

Zeus

The Army has been assigned the responsibility of developing the anti-ballistic-missile missile. When developed, it is contemplated that it will be deployed around key installations both military and civil. Zeus is part of the Nike family.

This bill contains a request for authorizations in the amount of approximately $30 million. It is estimated that perhaps the Zeus system will cost on the order of $4 billion to $5 billion when finally deployed and operational.

As can be seen by the foregoing, the effort and resources the country is putting into continental defense systems is tremendous and a little bit frightening. If all systems are fully developed and deployed, it would not be illogical to assume we might well find certain installations defended by fighter interceptors, Bomarc, Nike-Ajax, Nike-Hercules, Hawk, and Nike-Zeus, with their attendant SAGE and Missile Master controlling systems.

The committee has become increasingly concerned over this potential duplication. While it compliments those who have developed these systems, for their ingenuity and dedication, it does not believe that all are essential. The committee is especially concerned about the heavy deployment of missiles requiring stockpiles of nuclear warheads immediately adjacent to heavy centers of population. It can understand the need to insure the protection of military bases where strike forces are stationed; it cannot understand the heavy concentration in industrial and heavily populated centers with the attendant publicity implying that the deployment of these weapons at such locations constitutes no hazard and provides complete security from attack.

Duplication of air defense weapons systems

The committee is, and has been for some time, greatly concerned about the possible duplication of weapons systems and their attendant excessive costs and waste of effort. As can be seen by the preceding paragraphs, the weapons in existence and being developed for the defense of the continental United States are many and varied. Two years ago, in the fiscal year 1957 military construction authorization bill, the committee was presented with requests for authorizations pertaining to construction of facilities for Nike-Ajax and Talos ground-to-air missiles. The Ajax was to be used in connection with the Army's point defense responsibilities, and the Talos was part of the Air Force area defense mission. At that time, the committee in its report, stated:

"The committee concluded that both the Army and the Air Force are assigned overlapping roles and missions in the antiaircraft and continental air defense fields. While the Air Force views its mission as one of area defense, and the Army views its as perimeter or point defense, it is clear that a definite and urgent need exists for the Department of Defense to quickly and positively clarify the specific responsibility of each service. The committee believes that unless concise responsibilities are assigned, duplication of weapons systems costing in the multi-billion-dollar range might result, and that such duplication would obviously be too costly as well as inexcusable from the military standpoint."

The committee then denied the authorization for the establishment of Talos sites and called upon the Secretary of Defense to make a determination. Subsequently in his memorandum of November 26, 1956, the Secretary of Defense assigned Talos to the Department of the Army.

The committee took the action of denying the authorization for Talos not because it believed that Talos was an ineffective weapon; on the contrary, testimony indicated that it gave promise of being ideally suited for a role in the air defense system. The committee felt then as it does now that Congress should not be called upon to make a determination between the relative merits of weapons systems each of which was strongly supported by its developers; that this was a responsibility that should be accepted by the Department of Defense.

In May 1958, the chairman of the committee received the following letter from the Department of the Army with reference to the future production of Talos:

MAY 2, 1958.

Hon. RICHARD B. RUSSELL,
Chairman, Committee on Armed Services, United States Senate.

DEAR MR. CHAIRMAN: In conformance with the Department of the Army's policy to keep you and the members of your committee informed of Army affairs, it is desired to acquaint you with actions being taken concerning the land based Talos missile.

Based on the review and decision of higher authority not to employ the land based Talos system due to budgetary limitations, it became necessary for the Army to terminate the Talos production contract with RCA yesterday, May 1, 1958.

While this action results in termination of the manufacture of Talos land based systems, the production of certain components, basically computers and tracking radars, will be continued for utilization in the research and development areas on other Army programs.

Remaining in effect between RCA and the Army is the contract to complete evaluation

of the Talos land based system. This evaluation is being performed on the R. & D. model installed at White Sands Proving Ground.

Sincerely,

J. H. MICHAELIS,
Major General, GS,
Chief of Legislative Liaison.

Even though qualified witnesses who appeared before the committee had stated that "Talos ranks with the best in air defense systems. This country needs all it can buy", the decision has now been reached that Talos is no longer required. Yet had the committee authorized the funds requested in the fiscal year 1957 military construction authorization bill, there can be no doubt that Talos sites would now be established adjacent to Nike-Ajax installations.

Now a similar situation apparently exists with regard to Nike-Hercules and Bomarc. The same arguments exist regarding point and area defense. A glance at the classified deployments projected for these missiles indicates that in many, many instances it is planned to locate each in the same area for the purpose of defending the same installation. The committee has reviewed this subject most thoroughly—not only in this session but also during the 2 preceding years. Each service has defended its own program with honest vigor and conviction—yet it is most obvious to the committee that the Army and the Air Force continue to have overlapping responsibilities in the air defense missile field—and that their respective programs duplicate each other.

The committee does not intend to imply that complete defense measures should not be taken for certain specified areas; but defense of the fortress or fixed position type can be carried too far, especially if the costs incident to the defensive system in any manner reduces the capacity of the strike forces. In fact, such a policy could well be fatal militarily and equally if not more important, from the economic standpoint.

In classified briefings, overlays shown of existing and planned defensive systems indicate the eventual deployment of at least four systems superimposed upon each other and blanketing the entire continent. While each system has its own special characteristics, these overlays clearly indicate areas of overlap where one system might well perform the function of its neighbor. Each of these systems is estimated to cost in excess of $3 billion to $4 billion (some, as shown before, as high as $6 billion). Granted, these plans and proposed programs have not all received official OSD or JCS approval. Nevertheless, the committee's experience is that such programs have a habit of being approved by default through the medium of piecemeal submission on an annual basis without regard to the accumulation of long-range contingent liabilities. (In fact, the committee suspects that in some instances where the JCS cannot agree on duplicating systems, it slightly reduces each in scope and proceeds to develop both.)

It is the committee's firm and unanimous opinion that decisions must be made to eliminate duplication otherwise the annual cost of the defense budget will require increases beyond all reasonable proportions.

Secretary of Defense Neil McElroy indicated his thoughts concerning future Defense budgets as shown in the following excerpts from the published record of his press conference held on June 19, 1958, at Quantico, Va.:

"Mr. NORRIS (Washington Post). Could you indicate what size that budget is? There have been some reports that it would go up tremendously.

"Secretary MCELROY. Well, there has been no approval of the budget by the administration as a whole.

"Mr. NORRIS. I mean the future trend.

"Secretary MCELROY. Well, you mean how high it could ultimately——

"Mr. NORRIS. There have been reports that it would go up to 60 or 70 billion within a decade if you continued with the size of forces and all the programs.

"Secretary MCELROY. I think that could well be.

"Mr. NORRIS. You think that could be?

"Secretary MCELROY. Yes, I do.

"Mr. NORRIS. Does that—does the study show that?

"Secretary MCELROY. No; we haven't gone that far. In fact, I don't think there is much use really in making a projection for 10 years ahead with technological advances proceeding as they do. That figure of 60 or 70 is in my opinion a pretty breezy figure, but I can tell you that it wouldn't be difficult for that kind of addition to have to be required if we continue with the size forces we have."

The committee feels that major policy decisions must be made immediately in order to establish how far the country should go in developing fixed defenses.

Last year, the committee stated: "The committee requests the Secretary of Defense to take vigorous action to insure that only those systems are approved and maintained that fit in with the overall strategic doctrine * * *." The committee feels that it is again pertinent to quote from Henry Kissinger's article in Foreign Affairs magazine of April 1957, entitled "Strategy and Organization":

"In the absence of a generally understood doctrine, all actions will of necessity prove haphazard; conflicting proposals will compete with each other without an effective basis for their resolution. Each problem, as it arises, will seem novel and energies will be absorbed in analyzing its nature rather than in seeking solutions. Our services will find it impossible to make a meaningful choice among the mass of the new weapons with which their research and development programs will soon overwhelm them. We will continue to cede the initiative to others and our course will become increasingly defensive."

Witnesses before the committee have indicated that if all the defense systems currently being contemplated by each service were to be established the total cost would be close to $8 billion per year for the next 5 years and $5 billion annually thereafter.

Secretary McElroy has stated, "The capital investment already made in this continental air-defense system during the last 4½ years exceeds $13 billion. The cost of operation is now almost $2 billion a year." Information in the committee files indicates that Secretary McElroy's figures may be on the low side. Nevertheless, they serve to show the order of magnitude.

Defense versus offense

It can be argued that "the country can never have enough defense" and that duplication of weapons systems is not really duplication, but provides necessary flexibility. The committee takes strong objection to this point of view. It is of the opinion that the best defense is still a strong offense.

Gen. Carl von Clausewitz, writing around 1812, lists in his Principles of War certain general principles for defense. Principle No. 6 states, in part:

"The fundamental principle is never to remain completely passive, but to attack the enemy frontally and from the flanks even while he is attacking us."

And again: "The art of entrenchment * * * shall serve the defender not to defend himself more securely behind a rampart, but to attack the enemy more successfully. This idea should be applied to any passive defense."

In his principle No. 7, von Clausewitz states in the first sentence:

"This attack from a defensive position can take place the moment the enemy actually attacks or while he is still on the march."

The second paragraph of his principle No. 13 states:

"If you remember * * *, the few defensive battles that have ever been won, you will find that the best of them have been conducted in the spirit of the principles voiced here. For it is the study of the history of war which has given us these principles."

Too great a defensive psychology can only result in a Maginot-line concept. Defensive operations, in the opinion of the committee, should not be hampered by the absence of initiative which the committee believes is inherent in fixed positions. The Maginot line proved this. In the committee's opinion a 100-percent defensive psychology is a will-o'-the-wisp which has led nations committed to it to defeat or bankruptcy or general war. We must certainly provide adequate defense for our striking or retaliatory forces, but we must establish our true defense on mobility, dispersal, striking power, and more important, diplomatic and military policies designed to prevent war; such cannot be divorced from economic stability.

In writing in 1949, Dr. Vannevar Bush, in Modern Arms and Free Men, had this to say on defense in a period of atomic stalemate:

"If at that time we tried to make our situation utterly immune we should certainly lose the race, for to seek utter immunity would take all of our resources for that purpose alone, and even then complete immunity would probably not be attainable. It will take resolution and calm thinking to hew to the line if that time comes. It will take a highly effective system of national military planning, a far better one than we have now."

He further states:

"The important points are, first, that we should never become so obsessed with a defense system as to invite disaster by relying upon it to the detriment of retaliatory striking power, and second, that such defensive measures as we take should be employed against specific, real threats and undertaken with proper timing."

COMMITTEE ACTION

In light of the foregoing, the committee has concluded we must place greater emphasis on our striking power and limited-war capabilities. We must make decisions to eliminate duplication in defensive weapons systems, and the defensive weapons systems which we retain should not be designed in the futile attempt to obtain 100-percent defense but rather to insure the security of our striking capability. The committee has reason to believe that it is not alone in this philosophy. Many witnesses appearing before the committee on other subjects have so indicated in response to questioning by committee members. When Gen. Carl Spaatz appeared before the full committee on July 9, in response to a request to testify on the Defense reorganization plan, the following colloquy took place:

"Senator STENNIS. Now, going to another subject of yours here, you mentioned these different weapons systems being stacked on top of one another, particularly with reference to the Nike group and Bomarc.

"We have before us now the military construction bill, General, that has the approval of the Budget Bureau and the approval of the Department of Defense, that carries with it the additional Nike sites, additional installations for that weapon, those batteries, and also the Bomarc, which is a related missile.

"It is similar, as you know, to what Talos was at one time.

"I personally think they ought to make a choice between those weapons, but I have a layman's attitude, not knowing anything about the military and I don't want to sit in judgment on matters from a military standpoint.

"But the Secretary of Defense now clearly has the authority, does he not, to make those choices, and hasn't he by virtue of the fact that he has already approved both of them?

"General SPAATZ. I would like to comment on that in this way: That if I, as a military man, would take those overlays and arrange these forces so there would be the minimum of duplication and the most effective possibility of use of all the weapons systems involved, that the rearrangement would result in quite a few military installations in the United States being cut out.

"Senator STENNIS. We had this up and it is going into large sums of money and we had it up last year and the year before and the various departments just stood toe to toe and said both systems were necessary, and it looked like duplication to us and we put out warning signs, but didn't feel that we were the ones to be the final judges.

"That was Talos and Nike and now Talos has passed out of the picture but Bomarc has come in and the question is still virtually the same as to which one is going to be used.

"General SPAATZ. Yes.

"Senator STENNIS. And they both run along together.

"General SPAATZ. Yes, sir. Of course, that is a decision that must be made in the Department of Defense."

Admiral Radford on the same date, in response to similar questions, had this to say, in part:

"Admiral RADFORD. I hesitate to call myself up to date on it. After all, I have been retired for nearly a year. But I would say that the subjects you have been discussing here today, the continental defense of the United States, is a field that has concerned me for a long time.

"I think that we have made plans that have become outmoded, but there is a great reluctance to change the plans or to eliminate something."

The committee has, therefore, taken the following action:

It will be remembered that $137 million or 39 percent of the Army's authorization request pertains to construction of facilities for Nike-Hercules, Hawk, and Missile Master; and that $92 million of the Air Force program pertains to Bomarc. The committee has deleted these two amounts from titles I and III of the bill, respectively, and has added the sum of $183 million to title IV. This results in a reduction of the combined total request for Nike-Hercules, etc., and Bomarc by 20 percent, and authorizes the Secretary of Defense to construct for the Department of the Army or the Department of the Air Force such defense missile sites as he deems essential for the proper security of the Nation.

The 20 percent reduction was taken from the sum of the $137 million Army figure and the $92 million Air Force on the basis that it seems reasonable to assume that immediate and tangible savings can be effected in this area if a decision is made—as the committee expects.

When Secretary McElroy appeared before the full committee on the reorganization bill, he was questioned on this subject. He answered in part, stating:

"Referring to the continental defense picture which I have asked to be evaluated by the Weapons System Evaluation Group, which is the group of scientists who advise the Joint Chiefs and the Secretary. And this also has to do with a group of systems which appear to overlap in the continental defense picture."

The committee also notes with interest that Secretary McElroy in the minutes of the press conference held at Quantico, Va., on Thursday, June 19, 1958, indicated that this was an area where decisions had to be reached.

The committee expects him to make a choice. The committee is of the opinion that the adoption of one—with the resultant increased emphasis on it—while discarding another, could have the twofold effect of strengthening both our economy and our military posture.

In taking this action, the committee emphasizes that it is not establishing the precedent of making all authorizations or appropriations directly to the Secretary of Defense. On the contrary, it is simply carrying out prerogatives of Congress relative to its right to authorize and appropriate in specified areas. Nor should this action be taken to indicate in any manner that the committee believes that the Secretary of Defense does not already possess sufficient authority to make decisions in this field. In fact, during the reorganization hearings, Secretary McElroy was asked the following question (pertaining to the Nike, Talos matter): "* * * Why would it take so long to get a decision, and does this illustrate the kind of authority you were talking about needing?"

Secretary McElroy replied:

"I think it is something of an illustration although that authority, in my judgment, remains with the Secretary under the previous legislation."

Nevertheless, it is clear that a final decision has not been reached, and the committee takes this action as a method of focusing the problem and in underlining its belief that Congress should not be called upon to determine the relative merits of competing military weapons systems.

In authorizing the status of the Advanced Research Projects Agency (ARPA) and recommending in this bill that ARPA be authorized $50 million for construction of facilities pertaining to new weapons systems, the committee is further strengthened in the philosophy that the Secretary of Defense must make the decisions on new systems before they are presented to Congress. It might be said that Hercules and Bomarc are not new systems. Yet testimony taken by the committee indicates that Defense officials when they say "new systems," refer to missiles and other recent developments not considered as belonging in the conventional field. The following are extracts from the transcript of the committee's hearings on the reorganizational bill:

"Chairman RUSSELL. A provision to the bill gives the Secretary of Defense the authority to assign or to reassign to one or more departments or services the development and operational use of new weapons and weapons systems. Would you construe that proviso as an inferential limitation on your present authority or other authority contained in the bill to reassign the development and operational use of existing weapons or weapons systems?

"Secretary MCELROY. I had not thought of it as carrying that inference, Mr. Chairman. I believe that the reason for the inclusion of that provision by the House committee was in order that there should not be any inability on the part of the Secretary to move in assigning to an individual service the operational responsibility for new weapons, and that was given in the testimony as one of the problems, the lack of such authority was one of the problems, that had been involved in the proliferation of the entire missile production.

"I think without much doubt on the missile area we have produced more missiles than were needed and we have duplicated in ways which were wasteful of the taxpayers' money.

"If you will recall, the House committee and the House itself declined to grant the President's request for authority to consolidate functions, and I believe that the reason that this provision was made with respect to new weapons was that even though the denial was made of the right to consolidate functions, the assignment of new weapons was regarded as an important right for the Secretary to exercise.

"On the point of inferential denial of the right on other than new weapons, I had not thought that was true.

"May I ask Mr. Coolidge whether he has that feeling in looking at the language?

"Mr. COOLIDGE. I consider that the doubt here was whether new weapons meant something that was not in existence at the date this act was passed, and I would construe that to be not so. What new weapons here would mean would be weapons that are nonconventional weapons. Missiles, for instance, would be new weapons even though they are in existence, and I think the Secretary is right that the House, when it limited so severely the power to abolish functions, wanted to make it clear that that would not be mechanics that the Secretary would have to go through in regard to these new or nonconventional weapons. I would suppose that it did not reflect on the power to do other transfers if he complied with the new sections in the House bill.

"The new sections in the House bill do limit the Secretary's power that he has under the existing law in that he has to wait for 30 days, if it is a noncombatant function, which he would not have to do under the existing law.

"I do not know whether that supplements the Secretary's answer, Mr. Chairman.

"Chairman RUSSELL. It all ties the question up with whether a weapon is a function, and it seems to me that this is a matter that ought to be clarified before this bill is enacted on the transfer of weapons systems.

"Mr. COOLIDGE. I suppose it comes in as a function in that the Army, for instance, has capability under its roles and missions of long-range artillery, and a missile can be certainly construed as long-range artillery, and to that extent the handling of a weapon might be said to be part of their combatant functions, but weapons themselves I would suppose are not functioned.

"Chairman RUSSELL. Mr. Secretary, do you think that the bill as it is presently drafted and the power that it gives you with respect to research and development and the assignment of research and development would be sufficient to solve for the Congress the responsibility for any future waste and duplication in such fields as the missile field?

"Secretary MCELROY. I do not suppose it is possible to absolve Congress from having its share of responsibility in practically all of these matters, because Congress does have the responsibility for authorizing funds to finance them, and in the course of these money authorization bills, a thorough examination is made of all of our programs, so I doubt very much if there could be a complete absolution of any responsibility on the part of Congress.

"I do think this, however: That there should be a far more efficient application of administrative ability to avoid waste. We have recently been talking about some of these matters and feel that the problem begins at the time of the conception of a new weapon, when you start that initial feasibility study, and if you can control the development of the program at that stage and not let it get to the stage of at least partial production or the building up of plant facilities production, you can in my judgment very sharply reduce the wasteful use of funds.

"Chairman RUSSELL. I asked the question because power in a Government such as ours always assumes responsibility. If there is a vested power it is usually accompanied by an equivalent responsibility. There has been so much discussion about the responsibility for the waste that has occurred here before, I would assume that the consolidation of power that this bill carries, while it could not of course absolve Congress of the responsibility for appropriating and if we concentrate

responsibility for waste and duplication, certainly it grants all the powers that Congress could possibly have to deal with that subject to the executive branch of the Government."

The committee reiterates that action taken herein is not a precedent for denying future authorizations and appropriations directly to the services. The committee believes that the identity of the services should be preserved—but not for the purpose of perpetuating duplication in instances where obviously a decision must be made.

LIMITED WAR CONCEPT

This is another area of controversy. Hardly any two authorities can agree on the proper definition of the subject. Nevertheless, all the services have, in their own manner, provided certain forces for the prosecution of military activities short of actual combat or of general war.

General Pate, Commandant of the Marine Corps, stated in part when testifying before the committee, "Thus, today the Corps is providing the first echelon of the Nation's limited war force." It may be stated here that Marine units seem to have proven this in their recent deployment to the Middle East.

The Army has established the Strategic Army Corps (STRAC) and its reinforcements.

STRAC is designed to be a mobile, combat-ready force to meet the initial requirements of limited war or provide initial reinforcements in the event of general war. It consists, at the present time, of four combat-ready divisions and essential combat and logistical support.

The Strategic Army Corps reinforcement in peacetime has a mission of augmenting the training base and providing a strategic reserve in time of emergency and in case of deployment of STRAC.

Any forces of these types cannot be effective unless they have strategic mobility; i. e., the availability of adequate air and sea lift. The Marines as an integral part of the Navy have a built-in mobility the country is fortunate to possess (witness their immediate availability for deployment to Beirut). Both forces do not, in the opinion of the committee, possess sufficient airlift.

In fact, the committee is of the opinion that the airlift capability is most inadequate and cannot understand why the Army, especially, has not sought with greater vigor to insure a capability of moving its troops and equipment by air or if it has requested such, why the Department of Defense has not taken affirmative action. Obviously, one requirement is the necessary funds. It has been reported that Army officials calculate the Army should have approximately 100 C–133 type turboprop transports available for such use. Each C–133 would cost in the neighborhood of $8 million. The committee wonders why some of the money spent on fixed defenses to date has not been utilized for this purpose; for without mobility, ground forces have little opportunity of reaching vital areas in sufficient time to merit their existence.

The committee feels most strongly that the Department of Defense should maintain a greater vigilance in establishing "limited war" capabilities. It seems obvious that if the world's two greatest powers reach a nuclear stalemate wherein differences between them cannot be resolved except by resort to total war, that the situation may well indeed be similar to that described by the phrase, "of two scorpions in a bottle," i. e., mutual annihilation. If one assumes that nuclear stalemate can be reached, one must also assume the Soviet Union would then be free to again exercise the advantage of its great superiority in numbers and interior lines of communication and that it could proceed to disrupt the world by piecemeal tactics, subversion, and other pressures backed by the presence of its conventional forces (which, indeed, it did in Hungary and seems to be doing now).

In light of this, the committee wonders why the Army has placed such a great emphasis on fixed defense (point) weapons systems which the committee believes has caused a resultant diminution of its ground combat capability (its principal and most important mission). The committee believes the Army should take stock of itself and redirect its efforts toward providing the United States with the finest force in the world capable of victorious sustained ground combat; such would be consistent with its long and glorious history developed on many famous battlegrounds.

At this point, the committee wishes to especially compliment and commend the United States Marine Corps. All can be proud of the Marine Corps, its tradition, its valor, and its courage. The committee was particularly proud the day the Marine Corps witnesses appeared before it. All officials to that date had testified on the need for new weapons systems, better machines of war, and the highly complicated gadgets of modern electronics. A Marine general, in describing the Marines' concept of operations, was the only military man who, at the conclusion of his testimony, said in substance: "Regardless of our requests for facilities and weapons, I would like to point out that we leave such decisions to the committee; for the individual fighting marine is our greatest asset and as long as we can maintain him, we have few problems."

Mr. STENNIS. Mr. President, the distinguished Senator from Vermont [Mr. AIKEN] has asked me to yield so that he may introduce visitors from a foreign country.

VISIT TO THE SENATE BY MEMBERS OF THE CABINET AND LEGISLATURE OF BRITISH GUIANA

Mr. AIKEN. Mr. President, last fall it was my privilege to visit northern South America and to meet some of the people there. Today we have in the Chamber as our guests two distinguished visitors who are members of the Cabinet and Legislature of British Guiana.

I present to the Senate Dr. Cheddi Jagan, Minister of Trade and Industry, and Mr. Edward Beharry, Minister of Natural Resources.

[Applause, Senators rising.]

The PRESIDING OFFICER (Mr. TALMADGE in the chair). On behalf of the Senate, the Chair welcomes our distinguished visitors. It is a pleasure to have them with us.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 25. An act relating to effective dates of increases in compensation granted to wage board employees;

S. 1782. An act for the relief of Carolina M. Gomes; and

S. 3817. An act to provide a program for the discovery of the mineral reserves of the United States, its Territories and possessions, by encouraging exploration for minerals, and for other purposes.

The message also announced that the House had passed the bill (S. 2146) for the relief of William F. Peltier, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 10. An act to encourage the establishment of voluntary pension plans by self-employed individuals;

H. R. 7688. An act for the relief of Filbert L. Moore;

H. R. 9798. An act for the relief of the estate of John V. D'Alessandro;

H. R. 11921. An act for the relief of Aaron Green, Jr.;

H. J. Res. 652. Joint resolution to facilitate the admission into the United States of certain aliens;

H. J. Res. 653. Joint resolution for the relief of certain aliens;

H. J. Res. 659. Joint resolution for the relief of certain aliens;

H. J. Res. 660. Joint resolution to facilitate the admission into the United States of certain aliens; and

H. J. Res. 661. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

ENROLLED BILLS SIGNED

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

H. R. 1884. An act for the relief of Jack Carpenter;

H. R. 1885. An act for the relief of Edwin Matusiak;

H. R. 2647. An act for the relief of D. S. and Elizabeth Laney;

H. R. 5062. An act for the relief of Albert H. Ruppar.

H. R. 5219. An act to provide tax relief to the Heavy and General Laborers' Local Unions, 472 and 172, of New Jersey, pension fund and the contributors thereto;

H. R. 5441. An act for the relief of Scott Berry; and

H. R. 8015. An act for the relief of the Harmo Tire & Rubber Corp.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles, and referred as indicated:

H. R. 10. An act to encourage the establishment of voluntary pension plans by self-employed individuals; to the Committee on Finance.

H. R. 7688. An act for the relief of Filbert L. Moore;

H. R. 9798. An act for the relief of the estate of John V. D'Alessandro;

H. R. 11921. An act for the relief of Aaron Green, Jr.;

H. J. Res. 652. Joint resolution to facilitate the admission into the United States of certain aliens;

H. J. Res. 653. Joint resolution for the relief of certain aliens;

H. J. Res. 659. Joint resolution for the relief of certain aliens;

H. J. Res. 660. Joint resolution to facilitate the admission into the United States of certain aliens; and

H. J. Res. 661. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; to the Committee on the Judiciary.

CONSTRUCTION AT MILITARY INSTALLATIONS

The Senate resumed the consideration of the bill (H. R. 13015) to authorize certain construction at military installations, and for other purposes.

Mr. STENNIS. Mr. President, I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

Mr. STENNIS. Mr. President, as I understand, the bill is now open to amendment. I send to the desk amendments which have been requested by the committee. After the amendments have been stated, I shall yield to the Senator from Missouri.

The PRESIDING OFFICER. The amendments will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 98, line 17, it is proposed to strike out "SEC. 110." and insert in lieu thereof "SEC. 109."

On page 153, at the beginning of line 25, to strike out "give full consideration to all elements of value in accordance with existing law, and shall."

On page 155, to strike out line 16 and insert in lieu thereof: "in which a final adjudication of just compensation has not been made on the date of enactment of this act."

The PRESIDING OFFICER. Without objection, the amendments offered by the Senator from Mississippi will be considered en bloc.

Mr. STENNIS. Mr. President, if there is no objection, the Senate might vote on these amendments.

Mr. CAPEHART. Mr. President——

Mr. STENNIS. Mr. President, I yield to the Senator from Missouri.

Mr. SYMINGTON. Mr. President, I commend the distinguished Senator from Mississippi for another of his very able, carefully analyzed presentations in the field of military construction. He and the distinguished Senator from Washington [Mr. JACKSON], together with the distinguished Senator from South Dakota [Mr. CASE], have done magnificent work on the bill.

Speaking as a member of the Committee on Armed Services, I am very pleased to see the bill presented in this fashion on the floor. I especially commend the Senator from Mississippi for the amount of time and judgment which he and his committee devoted to the questions of how much money should go into the strictly defensive weapons systems, such as Nike, Talos, Hawk, and Bomarc.

Unfortunately, I was not able to be on the floor during all of the presentation made by the Senator from Mississippi, but it is my understanding that this defensive missile subject was covered extensively in his remarks. Is that correct?

Mr. STENNIS. That subject was covered somewhat, although not so extensively as in the report. I may say that the counsel, advice, and guidance of the Senator from Missouri has been very helpful to the committee. It has strengthened us in our position with reference to these many matters.

Mr. SYMINGTON. I thank the Senator. Any compliment from him is always especially appreciated.

I again wish to emphasize the importance of what the distinguished chairman of the subcommittee has said with respect to the relatively large amount of money we are spending for passive defense as against what we are spending to equip and support our troops all over the world.

Mr. STENNIS. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a portion of the report which appears on pages 54 and 55 and relates to the air space problem.

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

As a result of General Quesada's investigation, he wrote the committee a letter on June 16, 1958 (a full copy of this letter will be found at the appendix of the printed testimony), salient features of which are printed below:

Your committee's desires for early action prompted me to explore in some detail two logical possibilities:

First—what action can be taken now, this week, to alleviate the congestion, and improve the air-traffic safety features, and

Second—what interim steps can be taken between now and the time an expanded Andrews facility can accept additional aircraft.

In the first instance, I would like to list for the committee's information action on the part of the Air Force and the Navy at Bolling and Anacostia that will be taken immediately to reduce the volume of operations at those bases. This action is a direct result of your committee's request for the study.

1. An agreement between Anacostia, Bolling, and Washington National towers to separate the traffic from those bases has been amended as of June 10. The amended agreement further confines military VFR traffic operating to and from Bolling and Anacostia to two definitely prescribed corridors or tunnels from which they may not deviate. These tunnels will keep Bolling and Anacostia aircraft east of the Potomac and Anacostia Rivers and will prevent them from mixing with aircraft operations at Washington National Airport. I would like to insert a copy of the amended agreement for the record.

2. Both bases are completely closed to jet aircraft and the six jets previously stationed at Anacostia are now grounded, and will be transferred to Andrews.

3. All transient aircraft at Bolling and Anacostia will be restricted to official business only.

4. Flights emanating from Bolling and Anacostia will leave the vicinity of Bolling-Anacostia until the flight is to be terminated.

5. Bolling and Anacostia pilots will make increased use of instrument flight plans to the extent that they can be accommodated by the air traffic-control system.

6. All Reserve squadrons at Anacostia will be scheduled to perform their yearly 2 weeks of active training duty at other bases throughout the country where less air traffic congestion exists and not at Anacostia. There are no Air Force Reserve squadrons based at Bolling.

It is anticipated that the above actions and restrictions will reduce the annual operations at Bolling and Anacostia by about 26,000 movements, or by about 25 percent.

My investigation into the possible immediate transfer of aircraft from Bolling and Anacostia to other military bases until Andrews is ready led me to two basic considerations. First, it was necessary to find military bases within 200 miles of Washington which could accept and support additional piston aircraft of the types now based at Bolling and Anacostia. Second, we had to explore the impact the remote location of aircraft would have upon the complicated scheduling of pilots, aircraft, and missions.

To physically accept additional aircraft, a remote base must have adequate runway, ramp, and parking space. The base would have to be so located that the introduction of additional operations would not aggravate an already congested airspace and air-traffic-control situation.

Before transferring Bolling and Anacostia aircraft, provision must be made for transfer and housing of maintenance and other support personnel, for storing and testing space engines, radios, and various other aircraft components.

* * * * *

On the basis of data I have been able to develop in the preparation of this report for your committee, I recommend:

1. Expedited action to immediately enlarge the ground, navigation, communications, and landing facilities at Andrews Air Force Base and Patuxent River Naval Air Station. This action is absolutely essential to realizing the maximum safe utilization of the airspace and airports in the National Capital region.

2. The expansion at Andrews be so staged that homogeneous units of Bolling and Anacostia aircraft can transfer to Andrews at the completion of each specific stage.

3. That any increase in the civil air traffic into the Washington National Airport be carefully reviewed until such time as this air-traffic congestion has been alleviated by the completion of the airport now planned at Chantilly. For example, initial operations of commercial jets serving the Washington area will be operated from Friendship Airport, near Baltimore, until adequate facilities are available at Chantilly.

4. Continued effort on the part of the Navy, the Air Force, and civil operators to explore ways and means to further reduce the number of aircraft operations at Bolling, Anacostia, and National Airport.

The committee wishes to compliment and thank General Quesada for his assistance. It cannot help but feel, however, that it is incumbent upon the services to continue to pursue the subject most vigorously—even if it means drastically curtailing proficiency flights in areas where civilian aircraft must operate. It becomes increasingly obvious that a solution must soon be found to the airspace congestion which has resulted in so many tragic fatalities in the past few months. The committee cannot help but feel that many of these tragedies could have been avoided. The committee includes these remarks in this report on the construction bill in order to emphasize the problem and to indicate that it expects the Secretary of Defense to move with all possible speed in expediting the construction of facilities at Andrews Air Force Base and also to insure that the establishment of other military facilities throughout the country is coordinated in light of the airspace problem.

Mr. STENNIS. Mr. President, this portion of the report pertains to the work which General Quesada did for the subcommittee in connection with the very serious problem involving the congested airspace surrounding Washington National Airport. We have two items in the bill for the construction of additional facilities at the Andrews Air Force Base to take care of traffic from Bolling and Anacostia Naval Training Stations.

We thought the General did some very constructive work, and in our report we urged the Secretary of Defense to speed up and expedite the construction program at Andrews Air Force Base, as well as to do anything further that he may have reason to do which would lessen the intensity of the air traffic pattern around the Washington National Airport.

Mr. MARTIN of Pennsylvania. Mr. President, I desire to offer an amendment at the proper time.

Mr. CAPEHART. Mr. President——

The PRESIDING OFFICER. (Mr. TALMADGE in the chair). Does the Senator from Mississippi yield; and if so, to whom?

Mr. STENNIS. I yield first to the Senator from Pennsylvania.

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

The PRESIDING OFFICER. The amendment of the Senator from Pennsylvania will not be in order until the amendments submitted by the Senator from Mississippi [Mr. STENNIS] have been acted on.

The question now is on agreeing to the amendments of the Senator from Mississippi, which, without objection, will be considered en bloc.

Mr. CAPEHART. Mr. President, may we have a further explanation of the amendments? I think they are all right.

Mr. STENNIS. Mr. President, the amendments are very largely technical in nature. The major one is with reference to the Wherry housing program, which was discussed somewhat at length.

On page 153, in line 25, there appear the words:

Give full consideration to all elements of value in accordance with existing law.

We decided that provision to be a little too tight. We merely propose to strike out those words, so as to leave the matter an open judicial question.

Mr. CAPEHART. I see no objection to the amendment.

Mr. STENNIS. I thank the Senator from Indiana.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from Mississippi, which, without objection, are being considered en bloc.

The amendments were agreed to.

The PRESIDING OFFICER. The amendment of the Senator from Pennsylvania will now be stated.

The LEGISLATIVE CLERK. On page 169, between lines 13 and 14, it is proposed to insert "Johnstown, Pa.: Training facilities, $375,000."

On page 176, in line 20, it is proposed to strike out "$28,330,000" and to insert in lieu thereof "$28,705,000."

Mr. MARTIN of Pennsylvania. Mr. President, this amendment is for the inclusion of an additional project for the Commonwealth of Pennsylvania, namely, the National Guard Armory at Johnstown, Cambria County, in the amount of $375,000.

This proposed project will house the 628th Tank Battalion, 28th Infantry Division, Pennsylvania National Guard. The battalion, one of the largest in the State, has a strength of 24 officers, 4 warrant officers, and 462 enlisted men. It was organized in 1949, and was called into active duty in September 1950, at the outbreak of hostilities in Korea.

Several years ago, Bethlehem Steel Co. was prepared to deed a piece of property to the Commonwealth, for the purpose of providing an armory site; and the Federal Government had appropriated its share for the erection of this building. Since the State failed to appropriate its share of the funds, and accept the deed, the Federal Government withdrew its share of funds in 1955.

As a result, the local Lions Club, in conjunction with the Johnstown Chamber of Commerce, and the officers and men of the 628th, in the fall of 1955, took on the task of soliciting the business houses and area residents, to raise the sum of $10,000, and purchased 15 acres of ground in the vicinity of Johnstown. The deed was presented to, and accepted by, the Commonwealth in June 1957. Pennsylvania has now appropriated its 25 percent share toward the construction of this armory, and has placed it on a priority basis. If the 75 percent appropriation were made available, it would become a reality.

I have been repeatedly asked by the local residents and heads of the civic organizations promoting this drive toward purchase of the ground, as to when they are going to build the armory.

The scope of this project and its priority are of great significance. Furthermore, it should be pointed out that Johnstown is located in a critical unemployment area, and it was certified as a critical distressed area by the Labor Department. If the Johnstown armory were authorized at this time, it would help in relieving the unemployment problem. Its construction would not only help place many men at work, but it would also have far-reaching advantages for the local business climate, the community, and its populace.

Mr. President, there are sufficient holdover funds for the construction of the Johnstown National Guard Armory, and I trust that this body will approve my amendment.

Mr. President, I should like to add that this unit a part of the 28th Division. The 28th Division and its predecessors have taken part in all our wars from the Revolutionary War to the present time.

Recently, when the Department of Defense was naming the infantry divisions of the National Guard which would be reorganized under the new plan of organization, of the 6 named, the 28th Division was 1.

Furthermore, Johnstown has twice in its history been practically wiped out by floods; but it has always come back. At the present time, it is backing this unit in magnificent fashion.

Mr. President, I am most appreciative of the fine report the distinguished Senator from Mississippi [Mr. STENNIS] has made, but I should like to call the attention of my colleagues to the fact that wars are won on the ground. We may appropriate large sums of money to make possible travel to the moon; but the defense of our country is based largely on the use of ground troops.

So I sincerely trust that the Senate will accept my amendment, and that the distinguished Senator from Mississippi [Mr. STENNIS]—and again I say I appreciate very much the fine report he has made—will take the amendment to conference.

Mr. President, in connection with my remarks, I ask unanimous consent to have printed at this point in the RECORD an editorial—published on July 24 in the Pittsburgh Post-Gazette—which quotes Governor Leader, the Governor of the Commonwealth of Pennsylvania, on the importance of the National Guard.

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

KEEP THE GUARD STRONG

With the Nation again in a tense international situation, Governor Leader has chosen an appropriate time to protest any reduction in the size of the National Guard. He has heartily concurred in a proposal which the Conference of Governors sent to the Army to assure "in the Pennsylvania National Guard the retention of the maximum number of units and personnel within the modern Army concept."

Governor Leader makes out a good case for the guard. In time of peace no less than in time of war, he argued, the guard plays an important role. Aside from being ready for the prompt defense of the Nation, it gives effective service in such peacetime disasters as hurricanes, floods, and storms.

The guard provides a ready source of trained manpower at an annual cost of only $835 per guardsman as compared with the $5,000 a year it costs to maintain a soldier in the regular Military Establishment.

It would be foolish economy and a grave risk to the Nation's security to impair the effectiveness of the National Guard. We are glad to see a Senate Appropriations Subcommittee vote against the administration's request to reduce the size of the National Guard from 400,000 to 360,000 men. Let's keep the guard strong.

Mr. MARTIN of Pennsylvania. Mr. President, in view of the enormous cost of defense, we must do all we can to build up the Reserve components, the civilian components, of our defense, which cost probably not more than one-tenth of what the regular establishment costs.

In my opinion, the question of the cost of the Government of the United States is much more serious than any military defense proposal that is confronting us.

Mr. STENNIS. Mr. President, the Senator from Pennsylvania has made a very strong appeal for the adoption of his amendment, and his remarks are very persuasive. We know there is a great deal of merit to the amendment he has submitted, and the committee wishes it could join him in urging the adoption of the amendment, for the reasons he has stated.

However, the list of items included in the bill was received from the States, from the State National Guards, through their adjutants general, and was approved in Washington, through the National Guard Bureau.

On page 110 of the report, the following appears for Pennsylvania:

Army National Guard: Bethlehem, Carlisle, Chester, Ligonier.

We accepted the list which was submitted by the adjutant general of the State of Pennsylvania, as we did in the case of all the other States. So they are priority lists, and I do not think we could have a better guide. We accepted the lists from all the States, without exception.

Many other strong representations and recommendations have been made in regard to proposals for other States; but unless the items were included in the list provided by the State's adjutant general, we have not included them in the bill.

However, the bill contains an item which may be helpful to the Senator from Pennsylvania. Of course, the situations change from time to time, and plans at the State level are changed from time to time. Sometimes funds which were expected to be available do not materialize. So we have included in the bill a provision to the effect that up to 10 percent of the authorizations is to be available for additional projects. But, again they will have to come from the State level. So if there is a change for some reason and the authorities in Pennsylvania see fit to include the item in place of one on their list, there is authority in the bill to have such a situation taken care of. In that way we permit meritorious cases to be submitted, but it will still have to be done by the State authorities.

With that set of facts, we hope the Senate will not accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Pennsylvania [Mr. MARTIN].

The amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the committee substitute, as amended.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The question is on agreeing to the committee substitute, as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

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

The bill was read the third time.

The PRESIDING OFFICER. The question is on the passage of the bill. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Florida [Mr. HOLLAND], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

The Senator from Arkansas [Mr. MCCLELLAN] is absent because of a death in his family.

The Senator from Oklahoma [Mr. MONRONEY] is absent by leave of the Senate attending the 49th Congress of the Interparliamentary Union at Rio de Janeiro, Brazil.

I further announce that if present and voting, the Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Florida [Mr. HOLLAND], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Oregon [Mr. MORSE], and the Senator from Texas [Mr. YARBOROUGH] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from South Dakota [Mr. CASE] and the Senator from West Virginia [Mr. HOBLITZELL] are absent because of official business having been appointed by the Vice President to attend the 49th Congress of the Interparliamentary Union in Rio de Janeiro.

The Senator from Maine [Mr. PAYNE] and the Senator from Utah [Mr. WATKINS] are necessarily absent.

The Senator from Connecticut [Mr. PURTELL] is absent by leave of the Senate because of death in his family.

If present and voting, the Senator from South Dakota [Mr. CASE], the Senator from West Virginia [Mr. HOBLITZELL], the Senator from Maine [Mr. PAYNE], and the Senator from Utah [Mr. WATKINS] would each vote "yea."

The result was announced—yeas 80, nays 0, as follows:

YEAS—80

Aiken	Flanders	McNamara
Allott	Frear	Morton
Anderson	Goldwater	Mundt
Barrett	Hayden	Murray
Beall	Hickenlooper	Neuberger
Bennett	Hill	O'Mahoney
Bible	Hruska	Pastore
Bricker	Humphrey	Potter
Bridges	Ives	Proxmire
Bush	Jackson	Revercomb
Butler	Javits	Robertson
Capehart	Jenner	Russell
Carlson	Johnson, Tex.	Saltonstall
Carroll	Johnston, S. C.	Schoeppel
Case, N. J.	Jordan	Smathers
Chavez	Kefauver	Smith, Maine
Church	Kerr	Smith, N. J.
Clark	Knowland	Sparkman
Cooper	Kuchel	Stennis
Cotton	Langer	Symington
Curtis	Lausche	Talmadge
Dirksen	Long	Thurmond
Douglas	Magnuson	Thye
Dworshak	Malone	Wiley
Eastland	Mansfield	Williams
Ellender	Martin, Iowa	Young
Ervin	Martin, Pa.	

NAYS—0

NOT VOTING—16

Byrd	Hoblitzell	Payne
Case, S. Dak.	Holland	Purtell
Fulbright	Kennedy	Watkins
Gore	McClellan	Yarborough
Green	Monroney	
Hennings	Morse	

So the bill (H. R. 13015) was passed.

Mr. STENNIS. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. JOHNSON of Texas. Mr. President, I move to lay that motion on the table.

The motion to reconsider was laid on the table.

Mr. STENNIS. Mr. President, I move that the Senate insist on its amendment, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. RUSSELL, Mr. STENNIS, Mr. JACKSON, Mr. SALTONSTALL, and Mr. CASE of South Dakota conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 495) to authorize the acquisition of the remaining property in square 725 in the District of Columbia for the purpose of extension of the site of the additional office building for the United States Senate or for the purpose of addition to the United States Capitol Grounds.

The message also announced that the House insisted upon its amendment to the bill (S. 1411) to amend the act of August 26, 1950, relating to the suspension of employment of civilian personnel of the United States in the interest of national security, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MURRAY, Mr. MORRISON, Mr. DAVIS of Georgia, Mr. REES, and Mr. CORBETT were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6239) to amend sections 1461 and 1462 of title 18 of the United States Code; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WALTER, Mr. FEIGHAN, Mr. CHELF, Mr. HILLINGS, and Mr. HYDE were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 985) to provide that chief judges of circuit and district courts shall cease to serve as such upon reaching the age of 75.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3571. An act for the relief of Boris F. Navratil;

H. R. 8997. An act for the relief of Bunge Corp., New York, N. Y.;

H. R. 9765. An act for the relief of Mr. Marion S. Symms;

H. R. 9822. An act to provide for holding a White House Conference on Aging to be called by the President of the United States before September 30, 1960, to be planned and conducted by the Secretary of Health, Education, and Welfare with the assistance and cooperation of other departments and agencies represented on the Federal Council on Aging; to assist the several States in conducting similar conferences on aging prior to the White House Conference on Aging; and for related purposes;

H. R. 12944. An act for the relief of Mrs. Kunigunde Beldie; and

H. R. 13482. An act to amend the Atomic Energy Act of 1954, as amended.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 855. An act to designate the dam being constructed in connection with the Eagle Gorge Reservoir project on the Green River, Washington, as the "Howard A. Hanson Dam";

H. R. 1298. An act for the relief of Vincent N. Caldes;

H. R. 1331. An act for the relief of Sadie Lobe;

H. R. 1376. An act for the relief of Bernard L. Phipps;

H. R. 1574. An act for the relief of Albert Hyrapiet.

H. R. 1772. An act for the relief of Sigfried Olsen Shipping Co.;

H. R. 2083. An act for the relief of Carl A. Willson;

H. R. 2677. An act for the relief of former Staff Sergeant Edward R. Stouffer;

H. R. 3513. An act to amend title 10, United States Code, relating to the entitlement to reenlistment under certain circumstances of certain former officers;

H. R. 4535. An act for the relief of Ernest C. St. Onge;

H. R. 5855. An act for the relief of Manuel Mello;

H. R. 5922. An act for the relief of William Lavallo;

H. R. 6405. An act for the relief of Arnie W. Lohman;

H. R. 6492. An act for the relief of Maj. Harold J. O'Connell;

H. R. 6530. An act for the relief of Arthur L. Bornstein;

H. R. 7140. An act to amend title 10, United States Code, to authorize a registrar at the United States Military Academy and the United States Air Force Academy, and for other purposes;

H. R. 7177. An act for the relief of Edward J. Bolger;

H. R. 7941. An act for the relief of Mrs. Harry B. Kesler;

H. R. 7944. An act for the relief of the Spera Construction Co.;

H. R. 8147. An act for the relief of Kenneth W. Lenghart;

H. R. 9015. An act for the relief of William V. Dobbins;

H. R. 11378. An act to amend Public Laws 815 and 874, 81st Congress, to make permanent the programs providing financial assistance in the construction and operation of schools in areas affected by Federal activities, insofar as such programs relate to children of persons who reside and work on Federal property, to extend such programs until June 30, 1961, insofar as such programs relate to other children, and to make certain other changes in such laws;

H. R. 11874. An act to record the lawful admission for permanent residence of certain aliens who entered the United States prior to June 28, 1940;

H. R. 12617. An act to amend sections 2 and 3 of the act of May 19, 1947 (ch. 80, 61 Stat. 102) as amended, relating to the trust funds of the Shoshone and Arapahoe Tribes, and for other purposes; and

H. J. Res. 672. Joint resolution amending a joint resolution making temporary appropriations for the fiscal year 1959, and for other purposes.

HOUSE BILLS REFERRED OR PLACED ON THE CALENDAR

The following bills were severally read twice by their titles, and referred, or placed on the calendar, as indicated:

H. R. 3571. An act for the relief of Boris F. Navratil;

H. R. 8997. An act for the relief of Bunge Corp., New York, N. Y.;

H. R. 9765. An act for the relief of Mr. Marion S. Symms;

H. R. 12944. An act for the relief of Mrs. Kunigunde Beldie; to the Committee on the Judiciary.

H. R. 9822. An act to provide for holding a White House Conference on Aging to be called by the President of the United States before September 30, 1960, to be planned and conducted by the Secretary of Health, Education, and Welfare with the assistance and cooperation of other departments and agencies represented on the Federal Council on Aging; to assist the several States in conducting similar conferences on aging prior to the White House Conference on Aging; and for related purposes; to the Committee on Labor and Public Welfare.

H. R. 13482. An act to amend the Atomic Energy Act of 1954, as amended; placed on the calendar.

INDEPENDENT OFFICES APPROPRIATIONS, 1959—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, the Senator from Washington [Mr. MAGNUSON] is about to ask the Chair to lay before the Senate the conference report on the independent offices appropriation bill for 1959. He informs me that he will consume 5 or 10 minutes. The Senator from Illinois [Mr. DIRKSEN] expects to consume about 15 minutes. The Senator from Massachusetts [Mr. SALTONSTALL] will make a brief statement, and there may be other statements, but I inform the Senate that it is expected that there will be a yea-and-nay vote within the next hour. I wish all Senators to be on notice.

Furthermore, I announce that in the concluding days of the session, when there is a quorum call, and the order for the quorum call is not rescinded, the secretaries will be instructed not to add the names of Senators who do not appear. We find it difficult to obtain the attendance of Senators, because it is convenient to telephone from their offices and ask to be recorded. So when a Senator on either side insists upon obtaining a quorum, and the order for the quorum call is not rescinded, names of Senators will not be subsequently added.

Mr. MAGNUSON. Mr. President, I submit a 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. 11574) making appropriations for the sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1959, and for other purposes. I ask unanimous consent for the present consideration of the report. The report is signed by all the conferees on both sides.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 22, 1958, pp. 14632–14635, CONGRESSIONAL RECORD.)

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

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. As I understand the situation, the Senator from Washington will subsequently make a motion to recede with respect to one of the Senate amendments, so that there will be an opportunity for a yea-and-nay vote.

The PRESIDING OFFICER (Mr. RUSSELL in the chair). The conference report is not yet before the Senate.

Is there objection to the present consideration of the conference report?

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

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 11574, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
July 22, 1958.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 80 to the bill (H. R. 11574) entitled "An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1959, and for other purposes," and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 17, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$100,000."

That the House recede from its disagreement to the amendment of the Senate numbered 20, and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert: ": *Provided*, That hereafter, except for projects located at Atlanta Ga.; Rock Island, Ill.; Council Bluffs, Iowa; Kansas City, Kans.; Burlington, Iowa; Albuquerque, N. Mex.; Sacramento, Calif.; Brunswick, Ga.; Sedan, Kans.; Jonesboro, La.; Lake Charles, La.; Redwood Falls, Minn.; Biloxi, Miss.; Greenville, Miss.; Laurel, Miss.; Omaha, Nebr.; Durham, N. H.; Manning, S. C.; Sisseton, S. Dak.; Kingsport, Tenn.; Gainesville, Tex.; McKinney, Tex.; Huntington, W. Va.; Green Bay, Wis.; Marshfield, Mo.; Terrell, Tex.; Mount Hope, W. Va.; Benton, Ill.; Burlington, Vt.; St. Marys, Ohio; West Memphis, Ark.; Newkirk, Okla.; Point Pleasant, N. J.; and Denver, Colo., no part of any funds in this or any other act shall be used for

payment for sites, planning, or construction of any buildings by lease-purchase contracts: *Provided further*, That the Administrator of General Services may enter into a 10-year contract for the project at Sacramento, Calif., during the fiscal year 1959, for which the annual payment for amortization of principal and interest thereon shall not exceed $1,250,600."

That the House recede from its disagreement to the amendment of the Senate numbered 58, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$1,000,000."

That the House insist on its disagreement to the amendment of the Senate numberec 1.

Mr. MAGNUSON. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate, Nos. 17, 20, and 58.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to know just what those amendments are before I agree to them.

Mr. MAGNUSON. Senate amendment No. 17 deals with the General Services Administration. The Senate conferees agreed to the General Services Administration operation fund in the reduced amount of $100,000.

Senate amendment No. 20 involves the rewriting of the amendment as to certain projects in connection with construction of public buildings under lease-purchase contracts. These are projects which are under way, or with respect to which bids have been accepted, or projects involved in the change from the present program to direct appropriations for the coming year, which change was agreed upon as a matter of policy.

Mr. JOHNSTON of South Carolina. The item I am interested in is the one dealing with the retirement fund.

Mr. MAGNUSON. That will come under discussion. That is the next item.

No. 58 is an amendment which appropriates a certain amount of money to the Bureau of Public Roads in connection with the Kitt Optical Observatory.

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

Mr. MAGNUSON. I yield.

Mr. MANSFIELD. I note that in the House amendments to which the chairman refers, there is no mention of an amendment having to do with the beneficiating of chrome and manganese.

Mr. MAGNUSON. The Senate provided for a $10,500,000 program. ODM and General Services estimated that the expense of upgrading and beneficiating these materials in the stockpile would amount to about $21 million. We cut that figure in half. The House conferees at first would not agree to any amount, but finally did agree on a so-called pilot program. The report provided for an item of $3 million.

This item of $3 million is provided to initiate a pilot program for conversion of certain chrome, manganese, and other ores now in the defense stockpile. In the case of chrome ores, there are so-called subspecification ores stockpiled on the west coast, and specification ores in the East. The committee intends that both types of chrome ores be eligible for this program and that these ores be converted to the highest chrome content, standard ferrochrome, which can be produced from each.

As to manganese, which was generally discussed and I believe the General Services Administration understands the situation; if not, I can put an explanation in the RECORD—it was agreed that the $3 million was for a pilot program for chrome and manganese. Chrome and manganese in the stockpile are to some extent deteriorating, as they are stored outside. If the program goes ahead—and we expect it will—it should include those two ores. There were 1 or 2 other ores of a very highly strategic nature, but which would not take up much of the program. A report will be submitted to us in January on whether the program is feasible. If it is feasible and makes sense—and the Senator from Montana and I agree that it does, and that it will save money to the Government in the long run—then we will proceed with the outlined program of ODM and General Services.

Mr. MANSFIELD. Is it correct to state that when the appropriation measure originally passed the House, there was no money allocated for beneficiating or upgrading of chrome and manganese?

Mr. MAGNUSON. That is correct.

Mr. JOHNSON of Texas. Mr. President, may we have order?

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The Senate will be in order.

Mr. MANSFIELD. When the measure reached the Senate, under the leadership of the distinguished chairman, the senior Senator from Washington [Mr. MAGNUSON] and the distinguished ranking minority member, the Senator from Illinois [Mr. DIRKSEN] $10½ million was included for that purpose.

Mr. MAGNUSON. That is correct.

Mr. MANSFIELD. As a result of the conference held between the two Houses, it appears that the House conferees, although at first in favor of making no allocations for this purpose, after negotiation and the development of a sense of understanding, agreed to allow $3 million for a pilot project in the fields of chromium and manganese.

Mr. MAGNUSON. That is correct.

Mr. MANSFIELD. My distinguished senior colleague from Montana [Mr. MURRAY] and I are very much interested in having something done to upgrade or beneficiate the $9 million Government-owned stockpile of maganese in Butte, Mont. It is deteriorating quite fast. If something is not done along the line of upgrading, the Government's investment will be lost.

What we should like to inquire about at this time is whether the manganese plant at Butte, with its $9 million stockpile, plus the dependence on it in other areas in the Butte-Philipsburg vicinity, could be considered as a pilot plant for the upgrading or beneficiating of the stockpile.

Mr. MAGNUSON. It could under the program outlined by the conferees.

Mr. MANSFIELD. So far as the Senator from Washington knows—and the Senator from Illinois is concerned—the Butte, Mont., manganese stockpile would be eligible under the $3 million program, as it was eligible, as was brought out in the testimony, under the $10½ million which was asked for by the Senate Appropriations Subcommittee?

Mr. MAGNUSON. That is correct.

Mr. MANSFIELD. Will the Senator from Illinois agree with that statement?

Mr. DIRKSEN. Yes; it would be. We thought at first of writing in some additional language to the effect that that might be determined by ODM, if they thought it was practicable and would be efficacious. No such language was written into the bill. Therefore, I would interpret it as being available under the terms of the act for beneficiating.

Mr. MANSFIELD. I wish to thank the distinguished chairman of the subcommittee and the distinguished ranking minority member on behalf of my distinguished colleague, the senior Senator from Montana and the full Montana Congressional delegation. This news is encouraging because, added to our previous colloquy, it should look encouraging for the beneficiating of the manganese stockpile in Butte, Mont. We of Montana are indebted for the consideration and understanding shown.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a letter which I addressed to the Honorable Sinclair Weeks, Secretary of Commerce, under date of May 24, 1958; a letter to the senior Senator from Washington [Mr. MAGNUSON] as chairman of the conference committee, and to all members of the conference committee, under date of July 14; a telegram which I received from Mr. John H. Cole, of the manganese plant at Butte, Mont.; and an excerpt from the discussion on the floor of the Senate of the independent offices appropriation bill on June 9, 1958.

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

MAY 24, 1958.

The Honorable SINCLAIR WEEKS,
Secretary of Commerce,
Department of Commerce,
Washington, D. C.

DEAR MR. SECRETARY: This will acknowledge receipt of your letter of May 20 which has just reached my desk and which I have read with interest, though, I must admit, with disappointment.

I do not like being persistant in this matter, but I would personally appreciate it if you would once again take up the matter with Mr. Gordon Gray, Director of the Office of Defense Mobilization, relative to the possibility of beneficiating or upgrading the low-grade manganese ore in the stockpile in Butte. As I indicated previously, on the basis of expert findings, this manganese stockpile which has cost the Government somewhere in the vicinity of $9 million will gradually become valueless if upgrading is not done and the investment of the Government will be lost.

As you know, we produce 10 percent of our total needs of manganese in this country and 90 percent of that 10 percent is produced in the Butte-Philipsburg area. To me it appears that the sensible procedure would be to beneficiate this stockpile, retain its full value for the Government and thereby justify its investment. At the same time, the unemployment situation in the city of Butte, which is the longest and hardest hit city in the United States in relation to the recession, would be somewhat alleviated. It would appear to me that this operation can be used to alleviate the unemployment situation in Butte and, pending

a stabilization of the copper industry, the only means which can be of significance at this particular time.

Again, Mr. Secretary, I urge that you reconsider this situation, talk it over with Mr. Gray and see if something cannot be done in behalf of this industry and the people who are dependent on it for a livelihood. I would be most happy to discuss this matter with you or Mr. Gray at any time and I would be deeply and personally appreciative if a course of action could be agreed on to upgrade this stockpile in the interests of protecting a large Government investment and at the same time furnish employment to our people who are so badly in need of assistance at this time.

With best personal wishes, I am,

Sincerely yours,

MIKE MANSFIELD.

JULY 14, 1958.

Hon. WARREN G. MAGNUSON,
United States Senate,
Washington, D. C.

DEAR MR. CHAIRMAN: I am writing to you as a member of the conferees on the independent offices appropriation bill to ask you to do what you can to include manganese with chrome in the $10 million set-aside for beneficiating or upgrading purposes.

I have used up every resource I could think of with the White House, the GSA, the Department of Commerce, and the Office of Defense Mobilization, but to date I have not achieved any success whatever. The only hope I have left is you and your conferees.

Butte, Mont., where the domestic manganese plant is located, is the hardest hit and most depressed area in the United States. Sixty-three percent of our miners are unemployed, and 75 percent of the craftsmen in and around the mines are in a similar situation. Between 300 and 400 men are dependent upon the manganese plant in Butte for a livelihood. At that plant there is at the present time approximately $9 million worth of Government-owned stockpiled manganese. This stockpile is deteriorating, and the only way I can think in which this Government-owned stockpile could be prevented from becoming less valuable or more valueless as time goes on is to beneficiate or upgrade the stockpile to a reasonable and proper level. I am enclosing with this letter a communication which I have sent to the Honorable Sinclair Weeks which explains in more detail just what the situation is.

I would appreciate it, on behalf of the entire Montana delegation and myself, if you could see your way clear to support my suggestion, and I call to your attention in that respect the colloquy between you, Senator DIRKSEN, and myself on this particular matter. I assure you I will appreciate anything you can do to be of assistance to Montana in this matter.

With best personal wishes, I am,

Sincerely yours,

MIKE MANSFIELD.

BUTTE, MONT., *July 23, 1958.*

Senator MIKE MANSFIELD,
Senate Office Building,
Washington, D. C.:

Thanks for your wire regarding S. 4146 also greatly pleased with your letter to each of the conferees who are considering independent offices appropriation bill. I sincerely hope that the $10½ million contained in this bill for upgrading remains in the bill. The CONGRESSIONAL RECORD which you sent me dated June 9 appears to me that you Senator DIRKSEN and Senator MAGNUSON covered the upgrading of manganese at Butte very thoroughly. I liked the clause in the report which states that ODM and GSA has to report back to Appropriations Committee by September 1958 what they have accomplished. As you know we have the plant we have the ore and if this money stays in appropriations bill we should be able to start this plant at an early date. Your untiring efforts are certainly appreciated by myself and everyone in this community. American Mining Congress Journal of July, page 68, states stockpiling policies revised. Article reads both the Office of Defense Mobilization and Senate Appropriations Committee have determined that materials in the national stockpile should be upgraded where feasible, so that they will be available for immediate use in an emergency and the Senate committee added 10½ million to an appropriations bill to initiate such a program if the House concurs.

JOHN H. COLE.

[From the CONGRESSIONAL RECORD of June 9, 1958]

Mr. MANSFIELD. I had known about this part of the Independent Offices Appropriation bill, but I invite the Senator's attention to the fact that the Montana manganese plant, at Butte, Mont., has on hand in the stockpile something on the order of a $9 million investment by the Government. Unfortunately, one of the attributes of manganese is that if it remains in the stockpile, exposed to the open air, it deteriorates.

I tried to get Mr. Gordon Gray's agency, the Office of Defense Mobilization, to spend the necessary funds to beneficiate this manganese. So far I have achieved no success. Would it be possible, in view of the statement in the report, for the Office of Defense Mobilization, under Mr. Gordon Gray, to become seriously interested in upgrading or beneficiating the domestic stockpile of the Montana manganese plant, in Butte, Mont.?

Mr. MAGNUSON. Not only would it be possible, but, as the Senator from Illinois has stated, that is exactly what we intended. There are also stockpiles of ferrochrome in Montana.

Mr. MANSFIELD. That is correct.

Mr. MAGNUSON. There are stockpiles of manganese, and other metals. It makes common sense to upgrade this material, which we own, and put it in a condition in which it can be stored almost indefinitely. We shall have to do so anyway, if we intend to use the material. We should do it at a time when plant capacity, manpower, and electric power are available.

The Senator from Montana has stated exactly what we intended. We started modestly. We cannot do everything at once, but the Office of Defense Mobilization, under Mr. Gordon Gray, has stated that, under the directive in the law, he could not go further than actual stockpiling. I believe Mr. Gray will welcome this provision. It makes good common sense.

Mr. MANSFIELD. But it does apply to the Montana manganese stockpile in Butte, Mont. does it not?

Mr. MAGNUSON. It applies to Montana.

The first work under the program will probably be in connection with ferrochrome, because that deteriorates more rapidly. Next in order should be manganese, which would apply to the Montana situation.

Mr. MANSFIELD. I am delighted to have this assurance. I will take the matter up with Mr. Gray at the earliest opportunity, to see if he will not beneficiate the manganese stockpile in Butte, Mont.

Mr. MAGNUSON. It makes good common sense.

Mr. DIRKSEN. Mr. President, as I recall, the President's Cabinet committee made an affirmative recommendation with respect to the beneficiation of critical and strategic materials in the stockpile. As the chairman points out, they can be more expeditiously used when they are beneficiated; and I believe there will be a substantial reduction in the storage cost. So, with everyone agreed as to what should be done, it was only a question of money. It is our understanding that this program will cost, roughly, $21 million. So we have included half the amount in the pending bill. If, early next year, it becomes necessary to provide more, the agency can always submit a supplemental request through the Budget Bureau, so that the work can be carried to completion.

Mr. MANSFIELD. Mr. President, I am very much pleased with the unanimous action of the committee and the Senate in this respect. I certainly hope something will be done to bring about beneficiation of these ores.

Mr. MAGNUSON. Mr. President, I wish to say to the Senator from Montana and the Senator from Kentucky [Mr. MORTON] that there is no doubt in my mind that the suggested procedure will be the wise and common-sense one to follow. It means that we will have the stockpile of this strategic ore available for use in case something happens. The time to upgrade it is when the manpower is available. That is the situation in Butte. I was there within the last 3 weeks, and Butte suffers from a very serious unemployment condition because of the mineral situation there. It makes sense to put this ore in good order so that it can be stockpiled and kept on hand for use. If something were to happen, we would have to use the manpower and electric power at the wrong time. By upgrading the ore, we would add to its value. The President appointed a Committee on Mineral Policy, which made its report in 1956. In its report the committee recommended very strongly that this action be taken both with manganese and with ferrochrome. The committee was made up of experts in the mineral field.

Mr. MANSFIELD. In this respect, the Senator from Washington well knows—he was in Butte approximately 3 weeks ago—that 65 percent of the miners in the camp are unemployed, and that about 75 percent of the craftsmen working in and around the mines are unemployed.

Mr. MAGNUSON. That is correct.

Mr. MURRAY. Mr. President, I am in full accord with what has been stated by my colleague and by the distinguished senior Senator from Washington with reference to the situation in Butte. We have a very serious unemployment condition there. The program which has been described is very important and very necessary, and should be carried out.

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

Mr. MAGNUSON. I yield.

Mr. MORTON. First, I should like to thank the Senator from Washington for the excellent job he has done in steering this matter through Congress, with the help of the Senator from Illinois and other members of the subcommittee. As I understand, the Senator from Washington feels that if the pilot program works, the committee will look forward to increasing the appropriations in the future.

Mr. MAGNUSON. Yes; I do not believe there would be any question about it. The program would increase the value of the ores. Something was said about the transportation costs. However, in most cases the stockpiles are quite near the so-called plants. That is true of the Kentucky area. The Senator from Illinois will agree with me when I

say that at first we had some misunderstanding on this point in the conference committee. It was thought that we would build some plants. Of course, that is not correct. The plants all exist, and most of them are idle. This is the time to do what is proposed.

Mr. MORTON. The fact is that at Culver City, Ky., there is an enormous stockpile of chromium. It is right next to a plant which will beneficiate or upgrade it. Also, many capable, trained workers are located there. The factory is there. There is plenty of electricity and ample power.

Every time the wind blows, the dust, which is a product of the chrome, disappears. So there is erosion of the stockpile. If the material is upgraded, there will be no erosion.

I commend the Senator from Washington. I hope the Office of Defense Mobilization and the General Services Administration will proceed to carry out the pilot program which the Senator's committee has made available to it.

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

Mr. MAGNUSON. I yield.

Mr. HUMPHREY. As the Senator from Washington knows, Minnesota has deposits of low-grade manganese ore. There is a plant in the north central portion of my State, which during and after World War II was utilized for the processing of low-grade ores. It is a pilot-plant type of operation. However, it has been operated by the industry.

Would it be within the scope of this appropriation, if the ODM so determined, to have the beneficiation of low-grade manganese ores accomplished through such a facility?

Mr. MAGNUSON. If I understand the Senator correctly, he refers to the beneficiating of ores we now process and which are lying on the ground somewhere.

Mr. HUMPHREY. That is correct.

Mr. MAGNUSON. Ores which are not properly stored, or are not stored under the best conditions. It would not be well to dig new ore.

Mr. HUMPHREY. I understand.

Mr. MAGNUSON. But it would be within the purview of what we are trying to do. I am certain that when we consider the increased value of the ores and their strategic necessity, the situation the Senator mentions would be covered.

Mr. HUMPHREY. I recall that sometime ago we provided for manganese storage. In the Senate bill, we were able to get one of the storage facilities located in Minnesota. I believe that provision was eliminated in conference. That was 2 years ago. We had some manganese ores mined above ground, and which were mined out some years ago. I believe they are Government owned.

Mr. MAGNUSON. They would have to be Government owned in order to come under the program.

Mr. HUMPHREY. Then they would be available, if the Office of Defense Mobilization so determined.

Mr. MAGNUSON. Yes.

Mr. HUMPHREY. I associate myself with what has been said about the desirability of this program. I think the Senator from Washington has performed a service for our economy in what is proposed. I am familiar with it because of the work which is being done in northern Minnesota through the University of Minnesota Bureau of Mines. The ores are lying there. The ores lose their value if they are not properly stored, but when they are beneficiated and upgraded, their value improves and their market value is enhanced.

Mr. MAGNUSON. That is correct.

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

Mr. MAGNUSON. I yield.

Mr. SPARKMAN. I wish to ask the distinguished chairman of the subcommittee about amendment No. 43, the one which provided $100,000 for farm-housing research. I was greatly disappointed to learn from the report that that provision had been deleted.

I commend the Senator from Washington and his subcommittee for having included $100,000 when the bill was reported to the Senate. I am greatly disappointed, however, that that amount was not agreed to in conference. Will the Senator give us some light on that item?

Mr. MAGNUSON. The Senate conferees were disappointed, too. But we had great difficulty in getting agreement to certain portions of the appropriation bill, and this was one item about which the House conferees were adamant. They were against farm-housing research, I may say in all fairness to them, but they thought the matter should be handled by the Department of Agriculture.

Mr. SPARKMAN. The Senator may remember that that question was raised before his subcommittee. But no provision was made for this item in the Department of Agriculture appropriation bill.

I know of no other relatively small appropriation, such as this, which would do more good. The Federal Government is spending $350 million to help cities to eliminate slums. Not a dime is provided in the bill to help to eliminate slums on the farms. Some of the worst slums in the United States are to be found in the rural areas, on the farms.

A year ago, Congress passed a farm housing research program, which originally provided $300,000 a year for 2 years. Last year the program got underway with an appropriation of $75,000. Therefore, we simply asked for $100,000 as an appropriation this year, in order to carry the program forward. It is going forward now under the direction of four land-grant colleges in different areas of the United States. These are typical research programs.

But without the money which was provided in the bill—and I see little chance of having it provided now in some other bill—it will mean that the program which has just gotten underway may have to come to an end. It was only about a month ago that the first contracts were signed for the four land-grant colleges to do the research.

I am not saying anything against the chairman and the other members of his subcommittee because they included the item in the bill. But I desire to have the RECORD show that Congress appropriates thousands of dollars each year, and I daresay there was a new appropriation this year, for study of how to build hogpens, corncribs, and chickenhouses, just about everything one can think of, but not a dime to learn how to build farm housing from materials which the farmers themselves can produce, and in a way in which they can utilize their own labor; the type of farm housing which they can afford to build in order to replace the slums which can be seen in so many of the rural areas of the Nation.

It is regrettable. Some way ought to be found by which this program can be assisted. I invite the assistance of the Senator from Washington, and the Senator from Illinois [Mr. DIRKSEN] with whom I have talked several times concerning the matter, so that some way can be found to enable the program which has just gotten started to be carried on.

Mr. DIRKSEN. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. DIRKSEN. If it had not been for the skillful, aggressive negotiations by the distinguished Senator from Washington, there would not have been any money provided for this purpose in the conference. The House conferees took a very dim view of this appropriation. It was only through the aggressive efforts of the distinguished Senator from Washington that at least $100,000 for this item was retained in the bill.

Mr. SPARKMAN. I do not understand that to be true. Nothing was retained. It was due to the assistance of the Senator from Washington and the Senator from Illinois that $100,000 was included in the Senate bill in the Senate.

Mr. DIRKSEN. That is correct.

Mr. SPARKMAN. What I am lamenting now is that there is nothing in the bill as it has come back to us from conference.

Mr. DIRKSEN. The Senator is correct.

Mr. SPARKMAN. What I am asking is help, so that somehow, in some way, before Congress adjourns, $100,000 may be appropriated in order to allow this program, which has just gotten started, to move ahead.

Mr. DIRKSEN. The Senate took care of it in the Independent Offices appropriation bill.

Mr. SPARKMAN. The Senate did, yes.

Mr. DIRKSEN. But missionary work would have to be done elsewhere than on this side of the Capitol, because the Senate took care of its responsibility in the matter. We failed, I suppose, in our effort to persuade and convince the other body.

Mr. SPARKMAN. I want the Senator from Illinois to understand that I said in the very beginning of my remarks that I had no complaint to make against the Senate subcommittee, because I recognize what was done in the Senate.

What I am asking for is some way in which to carry this program forward. The chairman of the subcommittee has said that the principal reason for the

objection on the part of the House conferees was that the item should be carried in the Department of Agriculture appropriation bill rather than as a housing matter. The Senator from Illinois may recall that I have said all along that I do not care where the item is carried, so long as the funds are provided.

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

Mr. MAGNUSON. I yield.

Mr. SALTONSTALL. I support what the Senator from Illinois has said. The Senator from Washington worked hard to have this item retained in conference. But the House conferees were adamant. They said a substantial sum—my memory is that it was $25,000—still remained from a previous appropriation and had not been used for this purpose. Therefore, they really wanted to have the program proceed with that money. They wanted the program to go ahead if money could be made available from funds already appropriated. That is my memory as to why the House was so adamant.

Mr. SPARKMAN. Yes. A few minutes ago I said that the contracts for the first year's program were signed only several months ago. I do not know just what the status is. I should think there are adequate funds to carry the program during the first part of the year, but certainly not for the entire fiscal year. The contracted amount was $75,000; and the administrative expenses of the Housing and Home Finance Agency will be in addition.

Mr. SALTONSTALL. Mr. President, will the Senator from Washington yield again to me?

Mr. MAGNUSON. I yield.

Mr. SALTONSTALL. Of course, in January we shall have another supplemental appropriation bill and another independent offices bill; and if the funds required are included in one of those bills, we will be able to consider the matter again at that time. In the meantime we can see how the contract now in effect is carried out.

Mr. SPARKMAN. Of course that is something of a commitment—if I may call it that—which I have really been inviting.

I realize that the item is out of this measure, and that we probably will not be able to have it included in the last supplemental bill at this session. Of course I realize that in January there will be additional appropriation bills. I wish to be certain that the item will be included in one of those bills, so there will be continuity of the program and the plan.

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

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

Mr. MAGNUSON. I yield.

Mr. LANGER. I wish to say that I supported this program before. Although it can be handled in January, some of us may not be back here then. So I would rather handle it now.

Mr. MAGNUSON. I understand.

Mr. President, when the Senator from Alabama [Mr. SPARKMAN] testified before the committee, he recognized the fact that probably this matter should be handled in a supplemental bill, because of the time element involved. However, we did include the item in the bill as passed by the Senate. The trouble was that the House administration—as indicated on page 134 of the side slips—took the position shown by the following:

Senator MAGNUSON. In the 1958 appropriation you had $75,000 for farm-housing research. That is not asked for in this budget?

Mr. COLE. We did not ask for that to be reinstated, Mr. Chairman.

Senator MAGNUSON. Why?

Mr. COLE. Well, we feel that farm-housing research is primarily the responsibility of the Department of Agriculture. They are doing many things in farm-housing research, and from my point of view, so far as I can tell, a very good job. We have technicians, we have an understanding of housing, we know housing, but our housing has been primarily, and almost entirely, nonfarm housing. We have never felt we should be involved in farm-housing research; therefore, from our point of view, we have not asked for it to be reactivated.

The $75,000 granted last year I hope will be, and I think it will be, expended satisfactorily; but in the first place, it is a small amount, and if such a small amount is to be used, it is our judgment that it can be used more satisfactorily by the Department of Agriculture.

Mr. SPARKMAN. Mr. President, will the Senator from Washington yield again to me, so that I may make a comment at this time?

Mr. MAGNUSON. Yes; but, first, let me say that we included the item for the funds, anyway. However, the House conferees simply would not go along with us.

Now I yield to the Senator from Alabama.

Mr. SPARKMAN. Mr. President, I wish to say that Al Cole is a good friend of mine. I served with him in the House of Representatives, and I came to know him quite well. I respect his feeling that he does not want to engage in farm-housing research.

Nevertheless, the Congress has 2 or 3 times directed him to engage in farm-housing research; and only 2 or 3 weeks ago the Senate reaffirmed that position by extending the farm-housing research program for 3 years. So it seems to me that certainly there should be some sort of cooperation on the part of the executive branch; and if the executive branch does not want this work handled in the Housing Agency, at least it should send to the Congress a budget estimate to be included in the Department of Agriculture appropriation bill.

Mr. MAGNUSON. Yes.

Mr. SPARKMAN. So I hope the Senators who are interested in this matter will be helpful either in connection with the final supplemental bill which may come before us or in connection with the appropriation bills which will come before us early next year.

Mr. MAGNUSON. Mr. President, no one has been more devoted to this cause than has the Senator from Alabama.

I remember that last year, I suggested, and got the committee to agree with me, placing in the bill an item for research projects in the case of housing for elderly persons.

Mr. SPARKMAN. That is correct.

Mr. MAGNUSON. This time we got the same amount included.

But I believe that we shall have to let the Agency proceed with the funds it now has.

Mr. SPARKMAN. It still has most of the $75,000, because the program is just getting under way.

Mr. MAGNUSON. Then we can see whether we can resolve the difficulty or the difference, as between the Department of Agriculture and the Housing and Home Finance Agency.

But it is true—and I have checked into the matter—that the Agency has been directed to do this work.

Mr. SPARKMAN. Yes; it has been directed by Congress to do so.

Mr. MAGNUSON. Yes.

Mr. DOUGLAS. Mr. President, will the Senator from Washington yield to me?

Mr. MAGNUSON. I yield.

Mr. DOUGLAS. Am I to understand that the conference report provides for an appropriation of approximately $39 million for acquisition of sites and preparation of plans for public buildings throughout the country?

Mr. MAGNUSON. That is correct.

Mr. DOUGLAS. Is it true that the general list includes, as one of the items, a consolidated Federal office building in Chicago?

Mr. MAGNUSON. Yes; and it is listed in the report on page 9, amendment No. 15. That is an appropriation of "$39,915,000 for sites and expenses of public buildings projects as proposed by the Senate, instead of $38 million as proposed by the House. Among the projects approved in the sites and planning item are the proposed Federal buildings and courthouse in Chicago, Ill."

Mr. DOUGLAS. I wish to thank the Senator from Washington for his great help in connection with this matter. Did not he find Representative YATES, of Illinois, to be of assistance to him in having this particular appropriation item retained?

Mr. MAGNUSON. Yes. All Members of the House who have worked on the public buildings program were of great assistance; and Representative YATES did press the point for the long-needed project in Chicago.

Mr. DOUGLAS. I believe that in the long run this project will save money for the Federal Government, because it will reduce the rents which otherwise would have to be paid for the Federal offices, which now are scattered through the city.

I wish to thank the Senator from Washington for the very careful attention he has given to this subject.

Mr. REVERCOMB. Mr. President, will the Senator from Washington yield to me?

Mr. MAGNUSON. I yield.

Mr. REVERCOMB. I thank the Senator from Washington for yielding.

In the appropriation bill as passed by the Senate, there was included an appropriation item for public buildings in West Virginia at Charleston, Parkers-

burg, Ronceverte, and Martinsburg. I wonder how those items fared in the conference.

Mr. MAGNUSON. The Appropriations Committees of the House and Senate this year made the shift, as a matter of policy, from lease-purchase to direct appropriations, for these buildings.

Mr. REVERCOMB. That is correct.

Mr. MAGNUSON. And we found that some items were rather squeezed, in the process of making the shift.

Some bids had been let, and some projects had been started.

In West Virginia, the one at Charleston will be under a direct appropriation; the one at Huntington will remain under lease-purchase.

Mr. REVERCOMB. I so understand.

Mr. MAGNUSON. The one at Martinsburg will be under a direct appropriation; the one at Mount Hope will remain under lease-purchase. The ones at Parkersburg and Ronceverte will be under direct appropriations.

Mr. REVERCOMB. What about the one at Charleston?

Mr. MAGNUSON. The one at Charleston is under a direct appropriation.

Mr. REVERCOMB. I thank the Senator from Washington very much, indeed.

Mr. HUMPHREY. Mr. President, will the Senator from Washington state the situation in regard to the Minnesota projects?

Mr. MAGNUSON. In Minnesota, those at Bemidji, Brainerd, Minneapolis, and—and I see there an item I did not notice—one for my old home town.

Mr. HUMPHREY. Yes; Moorhead.

Mr. MAGNUSON. Yes—and, in addition, St. Paul, will be under direct appropriations.

The only one retained under lease-purchase will be Redwood Falls.

Mr. HUMPHREY. That is the item for the post office building there, is it not?

Mr. MAGNUSON. Yes.

Mr. HUMPHREY. And in the case of Minneapolis, it is for the Federal courts building?

Mr. MAGNUSON. Yes; or what we call the Federal building.

Mr. HUMPHREY. Yes. Was any change made in the appropriation for it?

Mr. MAGNUSON. The item for Minneapolis is in the amount of $5,634,000, for construction only; and the item for St. Paul is in the amount of $8,063,000, also for construction only.

Mr. HUMPHREY. And the Bemidji and Brainerd items, as I recall, are for combined Federal buildings.

Mr. MAGNUSON. Yes. They are listed as post offices; but, as the Senator knows, they can be used for any Federal purpose.

Mr. HUMPHREY. Including the Department of Agriculture, the Post Office——

Mr. MAGNUSON. Yes—for other purposes.

Mr. HUMPHREY. I thank the Senator from Washington.

I also thank him for the consideration given to these items in connection with the committee's work; and I am pleased that, inasmuch as his old home town still heralds him as the greatest of all Senators, Moorhead, Minn., has been properly cared for and its needs have been met by its favorite Senator, the distinguished Senator from Washington [Mr. MAGNUSON].

Mr. MAGNUSON. Mr. President, I must confess that I did not know that item was included.

Mr. HUMPHREY. The Senator from Washington undoubtedly knew it subconsciously, because his heart always beat strongly for Moorhead, Minn., I am sure.

Mr. MAGNUSON. I probably am a little lax, because there is nothing like that in the bill for the State of Washington.

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

Mr. MAGNUSON. I yield.

Mr. CARROLL. Will the Senator take a look at what has been authorized for the State of Colorado?

Mr. MAGNUSON. I have the figures before me.

Mr. CARROLL. I should like to know if Colorado gets any different treatment from that accorded the State of Washington.

Mr. MAGNUSON. The public building projects outside the District of Columbia programed for construction after 1959 are contained in a list of priorities which includes for Denver a direct appropriation amount of $17,390,000, but funds are in this bill for sites and planning, to get the project started.

Mr. CARROLL. I thank the Senator.

Mr. MAGNUSON. Let me call attention to the wisdom of the Appropriations Committee in going back to the concept of direct appropriations. I opposed the lease-purchase bill because of the large cost. My friend from Colorado will get some idea of what is involved when I say that instead of $17,390,000 of the taxpayers' money being spent, under the lease purchase arrangement the cost would have been $35 million.

Mr. CARROLL. When I first came to this body I had the privilege of being assigned to the Public Works Committee——

Mr. SALTONSTALL. Will the Senator talk louder? There is a group policy involved, and we all agreed to work out the policy. I would like to hear what is going on.

The PRESIDING OFFICER. The Senate will be in order so the Senator may be heard.

Mr. MAGNUSON. In the bill there was included by the House a direct appropriation for Federal buildings outside the District of Columbia of $177,155,000. It would have amounted to $348,435,000 to get them under the lease-purchase arrangement. On the 14 deferred projects outside the District of Columbia, direct appropriations will be $291 million, whereas the cost would have been $614,927,000 under the lease-purchase arrangement.

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

Mr. MAGNUSON. Yes.

Mr. CARROLL. I may say to the distinguished Senator from Massachusetts that when I first came to this body I was assigned to the Public Works Committee. The subcommittee of that committee, of which the Senator from New Mexico [Mr. CHAVEZ] is the chairman, considered legislation which had been enacted previously. It was a reexamination of the lease-purchase concept. Some of us felt that not only was it expensive, but that it was not doing the job. We thought we ought to go back to the concept of direct appropriations. That has been done. I commend the chairman and the committee for what they have done. This proves conclusively that in the long run direct appropriations will cost the taxpayer less money.

Mr. MAGNUSON. There were submitted to us four projects for the District of Columbia. One was for removal, planning, and site money for Jackson Square, which is located near the Court of Claims Building, at Lafayette Square. Another project for which the committee appropriated construction money is located in the Southwest area, a general office building.

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

Mr. MAGNUSON. I yield.

Mr. CHAVEZ. I do not want to ask the Senator any questions about the conference report, but I have been waiting quite a while to have the Senate consider the military defense appropriation bill. I hope the Senator from Washington will have his conference report adopted, so we can talk about $41 billion, which is a much larger sum than that now under consideration.

Mr. MAGNUSON. Many Senators are interested in the conference report, and I shall move ahead as fast as I can.

Mr. President, I move that the Senate agree to the amendments of the House to the amendments of the Senate numbered 17, 20, and 58.

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

The motion was agreed to.

Mr. MAGNUSON. Mr. President, very briefly, amendment No. 1, as to which no agreement was reached in conference, involves the sum of $589 million. In times past the Senate has put a contribution to the civil service retirement fund, in its version of the appropriation bill. The Senator from New Mexico, the Senator from Louisiana, and other Senators all have gone through the testimony regarding that matter. Up until about 3 years ago, while we were waiting for the so-called Kaplan report, we, in effect, reported zero dollars. In the meantime, of course, employees continued putting their contributions into the fund. The House used to disagree with the Senate, and the amount proposed by the Senate never remained in the bill. This time, the House having the bill first, provided $589 million-plus as the Government's contribution to the civil service retirement fund.

Because of the lack of policy in appropriating for the Government's participation in the fund, a deficit has developed whether it be as a result of what is called bookkeeping or otherwise, of something over $18 billion.

The House was of the opinion that at least this year we should make a start,

and provided $589 million-plus, representing interest on the amount the Government has not paid into the fund as its share, so that at least the Government would keep up with the interest. The matter has always been one of controversy between members of the House committee and the Senate committee.

Three years ago I think I was one of those who was most insistent that we do something like what is now proposed. This time the Senate committee felt that we should not appropriate $589 million, but, in lieu thereof, should ask the General Accounting Office, the Budget Bureau, and the Civil Service Commission to submit to us in January a definite formula as to what should be provided each year in the appropriation in order to keep the fund up, or whether there should be any appropriation at all.

Of course, the argument is always made, and it has some validity, that it is not necessary to appropriate an amount as the Government's share, because, so long as the Government is solvent, the money is technically and theoretically in the fund. The argument on the other side of the question has been that if the employees have to pay the money into the fund, the Government ought to pay in its share. Of course, if the retirement fund were that of a private insurance company, the company would have been broke or in bankruptcy or receivership.

I can remember the time when this question was subject to political discussion. I can remember in times past when the question was asked, "Where is the special fund for retirement? It has been spent for boondoggling." The fund has been the subject of political controversy in the past. However, this time the House, on its own initiative, provided $589 million-plus, for interest only. The majority of the Senate committee and of the Senate conferees stated we would adhere to our position. The House Members have considered their amendment on two occasions. As will be seen from page 5476 of the CONGRESSIONAL RECORD, when the bill was passed the Representative from New York [Mr. TABER], offered an amendment to strike the amount which was rejected on a division. That was by a vote of 47 to 128.

Following that, Mr. HYDE offered an amendment to strike the proviso in the bill to the effect that no retirement benefits should be increased until money was appropriated therefor, and that was rejected on a division vote, 83 to 52. Then after the conference the House insisted on the amount and the language. That puts us in the position where, in order to have a bill, I am going to move that the Senate recede from its amendment No. 1, which strikes out the $589 million-plus and the accompanying language. I know that my distinguished colleagues on the other side have something to say about this motion at this time, so I will yield the floor.

Mr. DIRKSEN and Mr. JOHNSTON of South Carolina addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DIRKSEN. Mr. President, I ask for the yeas and nays on the motion of the Senator from Washington [Mr. MAGNUSON].

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. DIRKSEN. Mr. President, I have seen a great deal of legislative language in appropriations bills in my time, but I have never seen anything quite so all-inclusive as this. I think the Senate ought to know what the implication of the language really is. The language has been very skillfully drawn. I pay tribute to the one who exercised his draftmanship on the other side of the Capitol.

I will say that the amendment with which we are dealing now is a divisible, twofold amendment. First, it contains money; namely, $589 million which was not carried in the Senate bill, not asked for by the President, and not asked for by the Bureau of the Budget. The House wrote that in.

Secondly, the amendment contains language.

First, I shall deal with the language very briefly. I want to make it clear that under the language there is a provision that none of the funds in the act, meaning the appropriation bill, and none of the funds in the civil service retirement fund, meaning all the $7½ billion in the fund today, and none of the funds which might accrue hereafter, meaning this would become permanent legislation rather than temporary legislation, can be used—and this is the gimmick, of course—for any annuity increase for anybody who comes within the purview of the Civil Service Retirement Act, or for any new benefit based upon that act.

To show what the implications of the language are, had the language been on the statute books when the Retirement Act went on the books last year or the year before, there would have been a mandate upon Congress to provide for nearly $5 billion before payment of any annuities. That is what the language means.

But there is a savings clause. It is said, "Of course you can pay new annuities or old annuities, or you can increase benefits, provided you make an appropriation in an amount sufficient so that there will be no increase in the unfunded liability of the fund."

That is very fancy language, Mr. President, but it means that every dollar of interest and every dollar we owe year by year must be appropriated, no matter what the state of the budget is, before we can increase an annuity for the thousands of civil service employees who have retired and who are enjoying retirement annuities.

If ever I saw an amendment which tied the hands of Congress, this is it. If ever I saw an amendment which stultified the Congress, this amendment is it.

That is not all. This is legislation on an appropriation bill just as pure and unrefined as any I have ever seen in my life.

I have an idea the proponents were willing to relent on the amendment. Had we tried to write the language in on the Senate side we would have had to submit the proposal to the Senate and get a two-thirds vote in order to do so. But the language went in on the House side. When the language comes over from the House, there is no chance to make a point of order against it. Had the language been proposed in the Senate, any Member of the Senate could stand up on the floor of the Senate, make a point of order, and have the language deleted.

However, we are considering an amendment which is pure legislation from every standpoint, and so restrictive that Mr. Keating, a representative of the postal workers, appeared to express their complete objection to this kind of language in an appropriation bill. The postal workers know what the language will do.

Mr. SALTONSTALL. Mr. President, will the Senator yield with respect to the language?

Mr. DIRKSEN. Yes.

Mr. SALTONSTALL. What the language means in substance is that the present fund of $18 billion and the appropriations made from year to year, cannot be used for any increase in any civil-service retirement fund which would come under the act without sufficient money being specially appropriated to take care of such increase; is that correct?

Mr. DIRKSEN. The Senator is quite correct.

To translate that into actuality, let us suppose there is an increase in the cost of living which throws a burden upon those who are retired today. Through their spokesmen those persons may come to both Houses of Congress to say, "We would like to have a little increase in annuity." But unless we make provision for an appropriation for every dime owed to the fund, so that the funded liability would not be increased, we could not, under this language, entertain any provision to increase the annuities of those who are on the retired list.

It is no wonder those employees are opposed to the language. That is one reason I am opposed to the language, also, but I am opposed for another reason.

The sum of $589 million has been written into the bill. That $589 million is so calculated as to represent in a sense the difference between all amounts carried in various appropriation bills as the Federal Government's contribution to the civil-service retirement fund and what we would normally owe, including the interest. There have been some minor items which were picked up, but when they were all put together they added up to $589 million.

Mr. President, I will tell the Senate why I am opposed to this motion. In the first place, there was no request for this action. As was pointed out in the conference, the law says the Civil Service Commission shall make a request to the Bureau of the Budget. That is absolutely true, but that is no mandate to Congress; that is no mandate to the Bureau of the Budget; and that is no mandate to the President to request the money. That is a ministerial function which the Civil

Service Commission is compelled to perform. The Commission must go to the Bureau of the Budget and say, "We make this request," so that the Federal Government can undertake its full share of the responsibility and reliability under the act of 1922 and the amendments which have been incorporated in the act.

The President has not asked that such be done, and the Bureau of the Budget has not asked for it.

The retirement fund, Mr. President, has never been funded. I think the Members would like to know that in the period from 1921 to 1928 the actuaries had recommended there be paid into the fund $168 million. Nothing was ever paid into the fund in that period of time.

In the years from 1931 to 1937 less than one-half of the amount recommended by the actuaries was paid in under appropriations by Congress.

In 1944 the actuaries recommended that $413 million be appropriated. Congress appropriated only $175 million, roughly a little less than half.

From 1945 until 1953 I think the most which was appropriated was $355 million and the low amount appropriated was $246 million. These sums were far less than the recommendations.

In 1954 it was recommended that we pay in $663 million. How much did we appropriate? Did we appropriate $663 million? Indeed not. We appropriated only $30 million.

In 1955 it was recommended that we pay in $691 million. Did we pay in $691 million? Indeed we did not. We put in the fund, by appropriation, $33 million, an infinitesimal fraction of the whole amount.

All this adds up to what? In my judgment it was never intended that this fund be actuarially fully funded. No other retirement fund in the Government is. Even though there are no contributions in the military, there is a deficit of $18 billion in the military pension fund. It is not funded. None of them are. This fund is, in fact, in as good shape as any of the other retirement funds we have, if not in better shape.

I point out that when we passed the last retirement bill, as an amendment to the basic Civil Service Act, when Mr. Young was still chairman of the Civil Service Commission, had this amendment been on the books the Civil Service Commission would have had to come to us and say, "We must have $4,900,000,000 by direct appropriation in order to comply with a legislative provision carried in an appropriation bill."

Speaking for myself, and meaning no affront to the House or to its integrity or judgment, I simply say that I have never seen such a legislative provision such as this in an appropriation bill.

For the reason stated, I believe that the motion made by my distinguished chairman, the Senator from Washington [Mr. MAGNUSON], ought to be voted down. I cannot speak for him. I know what is in his heart and in his mind, and I subscribe to it. We think we ought to wait until next year, that we ought to bring the Budget Bureau representatives before us, that we should bring the Civil Service Commission representatives before us, and bring before us the special committee which was established for that purpose. We ought to go into the entire subject matter thoroughly before we take further action, because I think that is the wise and prudent course.

Mr. President, $589 million is not hay. This provision would become effective in the fiscal year 1959. Where are we to get the money? Already we have preliminary estimates that the Federal deficit will be eleven thousand million dollars. I say "thousand million" instead of "billion" because it sounds bigger, and because it scares me more than the other way of expressing it. When I was a little boy and was good all during the week, my mother would give me a penny on Sunday, and to show her arch-frugality, she would say, "My son, don't spend it all in one place." So a country boy is frightened by these figures. So I say "eleven thousand million dollars" will be the deficit, according to all present reports.

All we do here is add to the deficit. Where do Senators think the Treasury is going to get the $589 million? It must borrow it. It goes into the market and sells bonds and borrows the $589 million to put in the retirement fund, and the Civil Service Retirement Fund earns interest on it. That is a rather singular proceeding.

Why put it in? Is it because there is fear? There is $7,500,000,000 in the fund. The testimony is that by 1974 the fund will be in excess of fourteen thousand million dollars, and then it may go downhill.

But I advise my senatorial colleagues that the full faith and credit of the Government of the United States is behind that fund. If there is any danger about that, we might as well develop some apprehensions about military retirement, railroad retirement, and every other form of retirement of which I have any knowledge, in the entire Federal structure.

So I hope this motion will be rejected. I am confident that my distinguished chairman will be only too glad to take another good look at this subject in January. I want to sit at his right hand and take a look with him when the time comes. This provision is thoroughly objectionable, because it stultifies the Congress. It ties our hands so far as increases in benefits are concerned, because they would be contingent upon an appropriation to make this fund funded to the point where there would be no increase in the liability.

Finally, it is an unwarranted and unjustifiable burden upon the budget. Every Member of this body knows that this money will have to be borrowed, which will only add to the staggering deficit which will be reported when we come to the end of the fiscal year on June 30 next year. That ought to be reason enough to reject the pending motion.

I add one further point. I wish to be careful not to transgress the rule; but my understanding is that when this question went back to the House of Representatives there was no record vote on this item to express the further disagreement of the House. I hope, therefore, that by a resounding record vote this item can be sent back. I am quite confident that the Senate position will ultimately be maintained.

Mr. President, I yield the floor.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to commend the chairman of the committee, the Senator from Washington [Mr. MAGNUSON] for his stand on this particular question. I think the House has started on a course in the right direction. I think the Senate should recede from its amendment.

The reason I make that statement is that I find, in looking at the retirement report for the fiscal year ended June 30, 1957, the following figures for the various years:

From 1921 to 1928, the employees paid in $142,729,500. The Government did not match that sum at all. Neither did it have funds in the retirement fund on which to pay interest. If it had been in the fund, the Government would have used it. It would have placed in the fund about 1½ times the amount I have mentioned.

In 1929 the Government did not fully match the amount paid in by the employees. In 1930, it did not fully match it. In 1931, 1932, 1933, and 1935 the Government did not match the amount paid in by the employees.

However, it will be found that in 1936 the Government more than matched it. That was done in an effort to make up for what it had failed to do in years past.

In 1937 it did likewise. In 1938 it put into the fund twice the amount paid in by the employees, in an effort to make up for the back periods.

The same thing happened in 1939. The Government put into the fund more than double the amount paid in by the employees. In 1940 it more than doubled the amount paid in by the employees. It was doing what it is sought to do by this amendment at the present time. There was an effort to make up for the back years. So it is nothing new for the Congress to go back and pay up for the years during which it failed to pay into the fund.

Let us look at more recent years. In 1954 the employees paid in $425 million, and the Government paid only $35 million, or less than one-tenth. In 1955, $440 million was paid in by the employees, and the Government paid $33 million, about 7 or 8 percent of what the employees had paid in. At the present time the Government is trying to go back and, in a small way, pay into the fund what it should have paid in in years gone by. The longer we put it off, the more difficult it will be for Congress to try to make up what the Government should have paid in in years gone by.

The employees' deduction has totaled $6,200,000,000. The Government contribution totals $4,200,000,000. We must bear in mind that if the Government had paid in during those years in the past, it would have been paying interest on that money, because the fund lends money to the Government at actual cost

for whatever purpose the Government borrows the money. The Government does not pay any interest. Is that right? I do not believe it is, and I am here today to back up the chairman in his position, because his position is right. The longer we put it off the harder it will be to try to match the funds which ought to have been matched already.

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

Mr. JOHNSTON of South Carolina. I yield.

Mr. LANGER. The distinguished Senator from South Carolina is only trying to keep the fund solvent. Is that right?

Mr. JOHNSTON of South Carolina. That is correct. Everytime we come forward with a retirement bill we hear the argument made: "Oh, this is not solvent." This is one thing which will make it insolvent, and we will do our duty to the fund.

Mr. President, I ask unanimous consent that there may be printed in the RECORD at this point, a statement prepared by the United States Civil Service Commission, Bureau of Departmental Operations, Retirement Division, showing the status of the Civil Service Retirement Fund as of June 30, 1957.

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

UNITED STATES CIVIL SERVICE COMMISSION
BUREAU OF DEPARTMENTAL OPERATIONS
Retirement Division

Simplified statement of the Civil Service Retirement Fund as of June 30, 1957

Since the fund began Aug. 1, 1920—	
Employee deductions have totaled	$6,200,000,000
Government contributions have totaled	4,200,000,000
The fund has earned in interest	2,400,000,000
Total income has been	12,800,000,000
Benefit payments have totaled	5,300,000,000
The fund now has a balance of	7,500,000,000
But liabilities total	25,500,000,000
Thus there is a deficiency of	18,000,000,000
The liabilities include amounts—	
To the individual credit of present employees	4,500,000,000
To pay future benefits to present annuitants	5,000,000,000
These two items total	9,500,000,000
Which exceeds the fund balance of $7,500,000,000 by	2,000,000,000
The additional amount needed to pay future annuities for service already performed by present employees is	16,000,000,000
Which adds to a total deficiency of	18,000,000,000

Simplified statement of the Civil Service Retirement Fund as of June 30, 1957—Continued

Present annuitants—	
Have contributed to the fund, including interest	$750,000,000
Have already received in benefits	2,000,000,000
Will receive in future benefits	5,000,000,000
Thus, will receive in total benefits about 10 times their own contributions, or	7,000,000,000
For the fiscal year 1958—	
Normal cost is	1,347,975,000
Interest on the deficiency is	539,652,000
Total cost is	1,887,627,000
Employees will contribute	649,025,000
Leaving Government cost of	1,238,602,000
Agency contributions will be	624,063,000
Fiscal year 1958 cost not met by employee deductions and agency contributions will be	614,539,000

Mr. JOHNSTON of South Carolina. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point table C–1—Operating receipts and disbursements and balance in the retirement fund for the fiscal years 1921 to 1957.

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

TABLE C–1.—*Operating receipts and disbursements and balance in the retirement fund for the fiscal years 1921 to 1957*

Fiscal year ended June 30	Receipts				Disbursements					Transfers from (+) to (−) other retirement systems	Balance in fund June 30
	Salary deductions, voluntary contributions and service credit payments	Government appropriations	Interest on investments	Total receipts	Payments to retired employees	Payments to survivor annuitants	Payments of refunds and death claims	Adjustments	Total disbursements		
1921–1928	$142,729,500.09		$13,211,143.86	$155,940,643.95	$51,032,215.83		$21,966,957.44	−$43,788.62	$72,955,384.65		$82,985,259.30
1929	28,122,943.18	$19,950,000.00	4,446,797.16	52,519,740.34	12,005,059.88		4,067,423.54	−9,913.35	16,062,570.07		119,442,429.57
1930	29,048,108.65	20,500,000.00	5,899,257.42	55,447,366.07	13,107,731.55		5,049,107.36	−30,340.00	18,126,498.91		156,763,296.73
1931	29,944,191.69	21,000,000.00	7,332,320.46	58,276,512.15	19,859,891.09		4,160,371.69	−27,945.37	23,992,317.41		191,047,491.47
1932	31,889,697.70	21,000,000.00	8,588,812.85	61,478,510.55	23,545,700.19		3,924,374.87		27,470,075.06	−$1,467,800.94	223,588,126.02
1933	30,493,792.21	21,000,000.00	9,752,298.53	61,246,090.74	30,048,405.96		4,789,286.09		34,837,692.05		249,996,524.71
1934	28,703,458.68	21,000,000.00	10,518,358.79	60,221,817.47	39,620,913.80		8,035,785.74		47,656,699.54		262,561,642.64
1935	30,089,204.72	21,000,000.00	10,822,890.96	61,912,095.68	46,970,622.68		5,773,407.52		52,744,030.20		271,729,708.12
1936	32,405,114.23	40,150,000.00	11,712,785.15	84,267,899.38	50,243,146.50		6,465,675.63		56,708,822.13		299,288,785.37
1937	34,900,072.51	46,200,000.00	13,012,960.98	94,203,033.49	51,900,514.78		7,228,159.49		59,128,674.27	−3,162.77	334,359,981.82
1938	37,322,049.95	73,234,760.00	16,635,825.67	127,192,635.62	54,153,266.80		8,322,354.32		62,475,621.12		399,076,996.32
1939	39,189,390.16	75,086,760.00	19,220,490.57	133,496,640.73	56,530,979.43		7,287,249.24		63,818,228.67		468,755,408.38
1940	42,944,829.42	87,171,760.00	21,564,999.99	151,681,589.41	59,252,240.81		8,063,235.48		67,315,476.29		553,121,521.50
1941	55,402,455.43	91,559,110.00	25,163,610.35	172,125,175.78	62,736,210.79		9,633,919.52		72,370,130.31	−57,703.07	652,818,863.90
1942	86,927,205.68	101,761,202.00	29,722,392.61	218,410,800.29	65,181,672.41		11,185,722.80		76,367,395.21	−10,384.05	794,851,884.93
1943	226,149,125.31	106,137,575.00	37,788,863.36	370,075,563.67	69,463,337.67		14,168,467.69		83,631,805.36		1,081,295,643.24
1944	269,408,079.79	175,993,037.00	52,767,637.64	498,168,754.43	74,207,149.21		28,954,250.38		103,161,399.59	−4,379.92	1,476,298,618.16
1945	288,114,029.05	195,790,875.00	68,582,148.62	552,487,052.67	80,257,778.58		72,293,349.39		152,551,127.97	−6,891.16	1,876,227,651.70
1946	279,537,869.58	246,220,000.00	84,430,220.33	610,188,089.91	88,995,694.43		196,195,067.85		285,190,762.28		2,201,224,979.33
1947	255,895,491.10	221,293,000.00	94,394,089.36	571,582,580.46	101,264,807.24		192,608,630.23	+1,199.28	293,874,636.75	−13,329.10	2,478,919,593.94
1948	234,847,511.44	245,530,000.00	107,112,645.48	587,490,156.92	114,517,734.93		126,056,064.60	+849.54	240,574,649.07	−15,021.11	2,825,820,080.68
1949	325,149,016.50	226,032,000.00	122,798,553.78	673,979,570.28	146,704,613.65	$2,609,943.10	68,421,210.60		217,735,767.35	+5,499,236.04	3,287,563,119.65
1950	355,649,805.37	304,508,880.64	143,173,559.13	803,332,245.14	164,430,000.29	5,777,921.51	96,291,714.37		266,499,636.17	+17,833,623.83	3,842,229,352.45
1951	374,872,990.23	307,117,455.27	164,561,022.06	846,551,467.56	185,421,904.44	10,897,666.71	72,534,135.97		268,853,707.12		4,419,927,112.89
1952	414,782,450.77	312,776,021.36	188,130,280.70	915,688,752.83	203,625,518.34	16,079,596.08	78,879,612.88		298,584,727.30		5,037,031,138.42
1953	420,034,454.57	325,304,154.19	214,609,442.91	959,948,051.67	246,711,418.29	23,472,466.16	91,023,429.55		361,207,314.00		5,635,771,876.09
1954	425,000,030.73	35,303,239.17	225,654,018.14	685,957,288.04	281,560,565.67	29,445,478.97	98,118,629.17		409,124,673.81		5,912,604,490.32
1955	440,284,878.46	33,678,729.94	234,377,235.52	708,340,843.92	310,280,639.20	34,858,748.06	82,655,739.37		427,795,126.63		6,193,150,207.61
1956	570,816,475.90	237,252,793.82	211,829,113.37	1,019,898,383.09	366,320,273.08	44,034,630.84	94,082,162.08		504,437,066.00		6,708,611,524.70
1957	640,522,470.98	530,632,662.91	220,793,978.72	1,391,949,112.61	425,645,499.87	53,021,114.70	109,522,080.40		588,188,694.97		7,512,371,942.34
Total	6,201,266,694.08	4,164,184,016.30	2,378,607,754.47	12,744,058,464.85	3,495,595,507.39	220,197,566.13	1,537,757,575.26	−109,938.52	5,253,440,710.26	+21,754,187.75	

Mr. JOHNSTON of South Carolina. I hope the Senate will see fit to do its duty this year and in the future years likewise do its duty.

Mr. SALTONSTALL. Mr. President, I rise to oppose, regretfully, my subcommittee chairman, the Senator from Washington, on this subject. On all other parts of the bill we have worked together, and worked out what we hope are reasonable compromises. On this matter the House would not yield on a voice vote, according to the Senator from Illinois [Mr. DIRKSEN]. In the Senate we have agreed to take a yea and nay vote on the question.

I hope the Senate will stand up for the position it has taken, which I believe is eminently sound, and oppose the motion to recede. We will then, of course, have to hold a further conference on the subject.

I take my position for several reasons. First, let me read what I understand to be the law on the subject, which is the law of 1956. It states:

> The Commission shall submit estimates of the appropriations necessary to finance the fund on a normal cost plus interest basis and to continue this act in full force and effect.

That is the responsibility of the Civil Service Commission to the Budget Director.

The Budget and Accounting Act, section 201 (a), provides that—

> The budget shall set forth in such form and detail as the President may determine—

In subsection (5) it is provided that the budget state—

> estimated expenditures and proposed appropriations necessary in his judgment for the support of the Government for the ensuing fiscal year.

In this instance, neither the Budget Bureau nor the President recommended the amount which has been included by the House, and which we are now discussing. At the present time, in fiscal year 1958, there has been recommended by the Bureau of the Budget almost $625 million. In fiscal year 1957 there was appropriated by Congress over $530 million. The employee contributions to the fund amounted to over $640 million. Payments from the fund amounted to over $588 million. In fiscal year 1957 the fund increased by over $803 million. What the House amendment would do would be to pay interest on the deficiency in the amount of $539,652,000.

The Senator from Illinois has pointed out that in the last fiscal year we had a deficit of $2,800,000,000. There is an estimated deficit for this fiscal year of almost $10 billion. The amount in the House provision which is under discussion involves one-half of a billion dollars, or approximately 5 percent of what the deficit may be this year.

Personally I feel that so long as the Government is sound financially, we can pay the annuities out of the fund year by year without worry. If our Government becomes unsound financially, then the annuities and the bonds we issue will be worth nothing anyway. If the Government stays solvent and the fund is increased by Government contributions and employee contributions, we will have a sufficiently sound fund.

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

Mr. SALTONSTALL. I yield.

Mr. CARLSON. I was going to make a comment if the Senator would permit me to do so.

Mr. NEUBERGER. I, too, should like to make a comment.

Mr. SALTONSTALL. I wonder whether the Senators would permit me to let me make another brief statement. Then I shall be happy to yield.

Mr. CARLSON. Certainly.

Mr. NEUBERGER. I shall defer likewise.

Mr. SALTONSTALL. I should like to address some brief remarks to the provision we must consider. The provision in substance is that no part of the appropriation and no part of the money now or hereafter contained in the Civil Service Retirement and Disability Fund shall be paid toward increasing any annuity, unless there is sufficient additional money paid into the fund to prevent an immediate increase in the unfunded accrued liability of the fund.

That means, in substance, that no increased annuities can be paid in the future unless sufficient moneys are appropriated, not only to pay the annuities, but also to pay the increase in the annuities, and to pay the interest on the unpaid balance of the Government fund.

I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Is it not true that Congress has passed this law? I do not agree with the wording of the amendment, but the next Congress can change the law and do as they see fit with regard to the matter. Congress can change the law as easily as it passed it.

Mr. SALTONSTALL. Certainly the law can be changed at another session of Congress.

Mr. JOHNSTON of South Carolina. I am not worrying too much about the language. I am worrying about the Government not paying its pro rata share into the fund in accordance with the agreement.

Mr. SALTONSTALL. The Government is providing enough now to pay the annuities which will have to be paid from the fund in the current year to match the contributions of the employees. If it is intended that the Government operate an insurance fund actuarially, there is a deficit. That deficit will be difficult to overcome. But my answer to the Senator from South Carolina, who is my friend, is that if the Government remains sound, we have no need for worry. If the Government becomes unsound, no matter how large the fund may be, it will not make any difference, because there will be no annuities paid.

Mr. JOHNSTON of South Carolina. According to that argument, I suppose it would not be necessary for the Government to match any amount at present and for several years to come. Being the chairman of the committee and having held hearings on this particular matter, I know that the retirement fund contains $7,500,000,000. But that does not mean that the Government does not have the obligation to carry out its part of the agreement.

Mr. SALTONSTALL. I do not agree that the Government has not carried out its part of the agreement, for two reasons: First, it is the responsibility of the President, under the budget law, to submit the amount which he wants. Second, there is enough money to pay the present annuities of employees.

I now yield to the Senator from Kansas.

Mr. CARLSON. Mr. President, I do not like the language of this particular provision. There is no question that the amount of money necessary can be raised now or at some other time. I am one who thinks the fund is sound and strong enough to take care of the situation.

But I remind the Senate that about 2 weeks ago we passed a bill providing an increase in benefits for retired Federal workers. If this language had been in the law, the Senate could not have passed a bill increasing retirement benefits without increasing the payments to the fund. I do not want the Senate to be placed in a position where in future years it might want to increase benefits but would be unable to do so.

Within a few days, possibly, the House will be considering an increase in social security benefits. If this kind of language were in the social security law, there could be no increase unless we voted funds to provide for the increase.

I think the House provision should not be approved. I should dislike to see the Senate agree to such a provision.

Mr. SALTONSTALL. Mr. President, I hope the Senate will reject the motion of the Senator from Washington, and that the Senate will stand by its position and take the matter into further conference.

NATIONAL SCIENCE FOUNDATION APPROPRIATION AMENDMENT NO. 57

Mr. President, on another subject, I call the attention of the Senator from Washington to a matter on which I think we are in accord. I should like to make a very brief statement on it in connection with the report.

In the statement of the House managers on the conference report on the independent offices appropriation bill, H. R. 11574, which is before us, the following statement appears at page 12 relating to amendment No. 57 to the National Science Foundation appropriation:

> Funds for support of research reactors should be provided by the Atomic Energy Commission.

This statement appears as a part of a purported explanation of the action of the conferees in agreeing to report an appropriation for salaries and expenses of the Foundation in the amount of $130 million instead of $115 million as proposed by the House and $140 million as proposed by the Senate.

As one of the Senate conferees on this bill, I feel that I should say that it was not my understanding that the conferees rejected specifically provision for funds which had been requested by the Foundation for support of nuclear reactors at universities used for basic research purposes. In my opinion this language in the report should not be construed as precluding the National Science Foundation from using part of its general expense appropriation for support of such reactors. However, I understand there is serious question as to whether, in view of the fact that the National Science Foundation's proposed budget of $140 million for salaries and expenses will have been cut by Congress to $130 million if this bill is passed, the Foundation will be able to apply $2 million for this purpose.

The National Science Foundation has included in its program for some time the support of nuclear reactors for basic research purposes. The AEC's program at universities has not included such support, as its program has been limited to nuclear reactors for training purposes. The division of responsibility for nuclear reactor support at universities which I have described has been based on an operating understanding between the two agencies.

While I understand that both agencies would prefer to continue this division of responsibility, I am advised that they are

both willing for this year to have funds appropriated to Atomic Energy Commission for transfer to the National Science Foundation in support of nuclear reactors at universities for basic research purposes. In this way, the important basic research program using nuclear reactors which the National Science Foundation has been supporting will be continued.

The language in the report should certainly not, in my judgment, be construed as precluding National Science Foundation from seeking funds for itself in future appropriation bills so that it can resume its full responsibility for the university reactor basic research program.

I simply say that I hope the National Science Foundation will be able to find the money in the $130 million appropriation, and that the statement of the House conferees does not mean that the National Science Foundation cannot use its funds to support university reactors for basic research.

I ask unanimous consent to have printed at this point in the RECORD a letter to me, signed by John A. McCone, Chairman of the Atomic Energy Commission, which refers to the testimony of Dr. Libby, a member of the Commission, on April 5, 1957, which corroborates in part the statement I have just made.

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

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., July 29, 1958.

The Honorable LEVERETT SALTONSTALL,
United States Senate.

DEAR SENATOR SALTONSTALL: With reference to your inquiry regarding an agreement between the National Science Foundation and the Atomic Energy Commission with respect to the financing of research reactors for colleges and universities, my staff advises me that there is no formal written agreement between the two agencies on this subject. However, there have been several verbal conversations between Dr. Libby and Dr. Alan Waterman, and Dr. Libby prepared a statement for the hearings before the Senate Appropriations Committee on the budget request for the National Science Foundation, Friday, April 5, 1957, which outlines his understanding of the arrangement. I quote from his statement below:

"For example, one of the activities for which Dr. Waterman is requesting funds is to provide a limited number of research reactors to colleges and universities for basic and fundamental research requiring neutrons and radiation. I believe that the NSF program is necessary to supplement the Commission's existing program of providing educational reactors to accredited colleges of engineering. The NSF program will provide research reactors which, in our present state of scientific development, have become a vital piece of research equipment. If, because of a lack of funds, it would not be possible for the NSF to make research reactors available to our colleges and universities, it will be to the detriment of all research."

I trust that this will be helpful to you in considering the conference report No. 2237 on the Independent Offices appropriation bill, 1959 (to accompany H. R. 11574), page 12, amendment No. 57.

Sincerely yours,

JOHN A. MCCONE,
Chairman.

Mr. SALTONSTALL. I call this to the attention of the chairman because I am confident he agrees with me on this subject. I hope he will support the statement.

I may also say that I have asked Dr. Waterman, Director of the National Science Foundation, to come before the supplemental appropriation hearings this week to clear up any misunderstanding on the subject.

Mr. MAGNUSON. The Senator from Massachusetts is correct. In the case of a bill of so complicated a nature, containing so many items, it was not my understanding that we agreed to all which was put in the House report on this particular subject.

I am further advised that last year, when the question of providing reactors to universities was considered by the Bureau of the Budget, a line of division was arrived at under which the Atomic Energy Commission would support training reactors and that research reactors would be supported by the National Science Foundation on a cooperative basis.

Training reactors are of low power and of simple construction, from which students can learn the fundamentals of operation, but they cannot be used for extensive research. Reactors for basic research must be of higher power, of varied types, and of more complicated construction.

The Atomic Energy Commission has never gone into the business of furnishing reactors to schools and colleges for general research, as the Senator from Massachusetts points out, and has no money in its budget for the purpose of such equipment grants.

Funds for the Atomic Energy Commission are now being considered in the supplemental appropriation bill for 1959, and perhaps this $2 million could be added to their appropriations for the purpose of working out these grants with the National Science Foundation.

Mr. SALTONSTALL. I certainly hope so, but in any event it should be clear that the National Science Foundation may properly use funds for this purpose from money to be appropriated in the bill before the Senate.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, that upon the obtaining of a quorum or the withdrawing of the request, the Senator from Massachusetts be allowed 5 minutes and the Senator from Washington 5 minutes, and that the Senate then proceed to vote.

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

Mr. HUMPHREY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Minnesota?

Mr. JOHNSON of Texas. Mr. President, I am working in the face of a deadline; an important meeting is scheduled.

Mr. HUMPHREY. Very well; I am perfectly willing to wait.

Mr. JOHNSON of Texas. I thank the Senator from Minnesota.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. JOHNSON of Texas. Mr. President, let me inquire whether the Senator from Massachusetts or the Senator from Washington desires to proceed first to use the time available under the unanimous-consent agreement.

Mr. SALTONSTALL. Mr. President——

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 5 minutes under the unanimous-consent agreement.

Mr. JOHNSON of Texas. Mr. President, I ask for order in the Chamber. It is important that all Members hear the statements which will be made by the two distinguished Members of the Appropriations Committee, because, immediately following their statements, an important vote will be taken.

Mr. SALTONSTALL. Mr. President, the Senator from Washington [Mr. MAGNUSON] has moved that the Senate recede from its position of insisting on the elimination of the item of $589 million which was included in the bill by the House of Representatives, in connection with the Civil Service Retirement Fund.

The law states that the President shall submit a budget, under his direction, to the Congress. The President did not include this amount in his budget message.

The Government in the last fiscal year had a deficit of $2,800 million. This year the deficit will be upwards of $10 billion.

The $589 million called for by this item can be obtained only by having the Treasury borrow the money from the public, and then put the money into the Retirement Fund.

The funds paid by the various Government agencies into the Treasury are sufficient to take care of the amounts required to be paid in connection with their retirement funds.

Therefore, I hope the motion of the Senator from Washington will be defeated, and that there will be a further conference with the House on this item.

I yield to the distinguished Senator from Illinois [Mr. DIRKSEN] the remainder of the time available to me.

Mr. DIRKSEN. Mr. President, I was about to ask a question of the distinguished Senator; but, instead, after I propound the question, I shall answer it myself. [Laughter.]

This money was not requested by the Budget Bureau. The President did not request it. It amounts to $589 million, as the distinguished Senator from Massachusetts has just stated.

This item, if included, would require the Treasury to go into the open market

in the fiscal year 1959, borrow the money, pay interest on it, thus add to the already swollen deficit, and then put the money into the Civil Service Retirement Fund.

Not only is that objectionable; but the language used in the provision is even more objectionable. Representatives of the workers who have a particular interest in the fund came before the committee, knowing of provision affecting the retirement fund and realizing that annuities could not be increased unless first the necessary funds were appropriated, so that the funded liability under the Retirement Act would not be added to. We have never done that before.

Today, I have already pointed out that in the first 5 or 6 years, or perhaps for a longer period than that, there was a recommendation to have $164 million go into the fund, although, as a matter of fact, nothing was put into the fund.

Furthermore, this fund is in better shape than are the funds for the military pensions or some of the other pension funds which today are administered by the Government.

Under the circumstances, what is the justification for this item?

So, Mr. President, I hope the pending motion that the Senate recede from the position it took in the first instance, and concur in the action taken by the House of Representatives, will be rejected.

This is by all odds one of the most astounding legislative devices I have ever seen in an appropriation bill in my life, because not only would it tie the hands of the Congress, but it also is absolutely unnecessary.

Mr. MAGNUSON. Mr. President——

The PRESIDING OFFICER. Under the unanimous-consent agreement, the Senator from Washington is recognized for 5 minutes.

Mr. MAGNUSON. Mr. President, I do not wish to labor the point. However, for the information of Senators who were not in the Chamber earlier in the afternoon, let me say that I believe all of us agree that someday, either now or later, we shall have to put the Government's share into this fund. We have not even paid the interest on the deficit.

We used to include an item for this fund in the Senate version of the bill. I used to argue this point, and used to have an item for the fund included in the Senate version of the bill; but in conference the House conferees always would reject the item.

This year the House sent to the Senate the item of $589 million; and in the conference the House conferees insisted on the inclusion of the item.

I went along with the members of the committee, although I think the Government's share should always be paid into this fund, and I have said so on many occasions and at many hearings. I conducted lengthy hearings on this matter 2 or 3 years ago, in connection with another appropriation bill.

The House is adamant on this matter. The Senate conferees suggested that representatives of the Bureau of the Budget, the General Accounting Office, and the Civil Service Commission come before us in January and tell us just what should be done regarding this fund. But the House of Representatives has insisted on the inclusion of this item.

I do not think the language proposed is as clear as it should be; but this is about the only way by which we can assure that the money will be put into the fund.

If this matter involved a private corporation, the fund would be exhausted and the corporation would be bankrupt.

Regardless of whether this item involves a great deal in the way of bookkeeping, certainly it means a great deal psychologically to the persons concerned.

Many times I have heard it said that this fund should be maintained as a separate fund; that it should be kept solvent, and not used for something else.

I know of no other alternative if we are to have an independent offices appropriation bill than to recede from the Senate amendment. The House has passed on this question 3 times, the last time by a voice vote, and the other 2 times by a record vote. At the time the voice vote was taken, Mr. MURRAY and the ranking Republican Member spoke in favor of keeping this provision in the bill. So the House is united on it. The only way to have a bill is for the Senate to recede on its amendment.

To those Senators who were not present and do not know the parliamentary situation, I may say I have moved that the Senate recede from its amendment No. 1. A "yea" vote would be a vote to agree to the House provision. A "nay" vote would be to agree with the Senate's position, which was to strike this item from the bill.

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

Mr. MAGNUSON. I yield.

Mr. DIRKSEN. Obviously I have no right, and probably I would not be gracious, to try to interpret the failure on the part of the House to have a record vote when it acted after the bill went back from conference in disagreement. In other days, if I felt deeply about a matter, I always insisted on a record vote, so the position would be made clear. But it is clear the House did not have a record vote with respect to the disagreement. I think we should have a record vote. I think we should reject the motion presently before the Senate and vote "nay."

Mr. MAGNUSON. Mr. President, I yield back the remainder of my time.

Mr. DIRKSEN. I yield back my time.

The PRESIDING OFFICER. The yeas and nays have been ordered——

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Bricker	Carroll
Allott	Bridges	Case, N. J.
Anderson	Bush	Chavez
Barrett	Butler	Church
Beall	Byrd	Clark
Bennett	Capehart	Cooper
Bible	Carlson	Cotton
Curtis	Johnston, S. C.	Pastore
Dirksen	Jordan	Potter
Douglas	Kefauver	Proxmire
Dworshak	Kennedy	Revercomb
Eastland	Kerr	Robertson
Ellender	Knowland	Russell
Ervin	Kuchel	Saltonstall
Flanders	Langer	Schoeppel
Frear	Lausche	Smathers
Goldwater	Long	Smith, Maine
Green	Magnuson	Smith, N. J.
Hayden	Malone	Sparkman
Hickenlooper	Mansfield	Stennis
Hill	Martin, Iowa	Symington
Hruska	Martin, Pa.	Talmadge
Humphrey	McNamara	Thurmond
Ives	Morton	Thye
Jackson	Mundt	Wiley
Javits	Murray	Williams
Jenner	Neuberger	Young
Johnson, Tex.	O'Mahoney	

Mr. MANSFIELD. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Florida [Mr. HOLLAND], the Senator from Oregon [Mr. MORSE], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

The Senator from Arkansas [Mr. MCCLELLAN] is absent because of a death in his family.

The Senator from Oklahoma [Mr. MONRONEY] is absent by leave of the Senate attending the 49th Congress of the Interparliamentary Union at Rio de Janeiro, Brazil.

Mr. DIRKSEN. I announce that the Senator from South Dakota [Mr. CASE] and the Senator from West Virginia [Mr. HOBLITZELL] are absent because of official business having been appointed by the Vice President to attend the 49th Congress of the Interparliamentary Union in Rio de Janeiro.

The Senator from Maine [Mr. PAYNE] and the Senator from Utah [Mr. WATKINS] are necessarily absent.

The Senator from Connecticut [Mr. PURTELL] is absent by leave of the Senate because of death in his family.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the motion of the Senator from Washington [Mr. MAGNUSON] that the Senate recede from its amendment No. 1. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Florida [Mr. HOLLAND], the Senator from Oregon [Mr. MORSE], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

The Senator from Arkansas [Mr. MCCLELLAN] is absent because of a death in his family.

The Senator from Oklahoma [Mr. MONRONEY] is absent by leave of the Senate attending the 49th Congress of the Interparliamentary Union at Rio de Janeiro, Brazil.

I further announce that if present and voting, the Senator from Missouri

[Mr. HENNINGS], the Senator from Florida [Mr. HOLLAND], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Oregon [Mr. MORSE], and the Senator from Texas [Mr. YARBOROUGH] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from South Dakota [Mr. CASE] and the Senator from West Virginia [Mr. HOBLITZELL] are absent because of official business, having been appointed by the Vice President to attend the 49th Congress of the Interparliamentary Union in Rio de Janeiro.

The Senator from Maine [Mr. PAYNE] and the Senator from Utah [Mr. WATKINS] are necessarily absent.

The Senator from Connecticut [Mr. PURTELL] is absent by leave of the Senate because of death in his family.

If present and voting, the Senator from South Dakota [Mr. CASE], the Senator from West Virginia [Mr. HOBLITZELL], the Senator from Maine [Mr. PAYNE], and the Senator from Utah [Mr. WATKINS] would each vote "nay."

The result was announced—yeas 44, nays 39, as follows:

YEAS—44

Anderson	Humphrey	Neuberger
Bible	Jackson	O'Mahoney
Byrd	Johnson, Tex.	Pastore
Carroll	Johnston, S. C.	Proxmire
Chavez	Jordan	Revercomb
Church	Kefauver	Robertson
Clark	Kennedy	Russell
Douglas	Kerr	Smathers
Eastland	Langer	Sparkman
Ellender	Long	Stennis
Ervin	Magnuson	Symington
Frear	Malone	Talmadge
Green	Mansfield	Thurmond
Hayden	McNamara	Young
Hill	Murray	

NAYS—39

Aiken	Case, N. J.	Javits
Allott	Cooper	Jenner
Barrett	Cotton	Knowland
Beall	Curtis	Kuchel
Bennett	Dirksen	Lausche
Bricker	Dworshak	Martin, Iowa
Bridges	Flanders	Martin, Pa.
Bush	Goldwater	Morton
Butler	Hickenlooper	Mundt
Capehart	Hruska	Potter
Carlson	Ives	Saltonstall
Schoeppel	Smith, N. J.	Wiley
Smith, Maine	Thye	Williams

NOT VOTING—13

Case, S. Dak.	Holland	Purtell
Fulbright	McClellan	Watkins
Gore	Monroney	Yarborough
Hennings	Morse	
Hoblitzell	Payne	

So Mr. MAGNUSON's motion was agreed to.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move to lay that motion on the table.

The motion to reconsider was laid on the table.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a table showing a summary of the action on the independent offices appropriation bill for 1959.

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

SUMMARY OF ACTION ON INDEPENDENT OFFICES APPROPRIATION BILL, 1959

TITLE I.—*Independent offices*

Item	Appropriations, 1958	Budget estimates, 1959	House bill	Senate bill	Conference action
CIVIL SERVICE COMMISSION					
Salaries and expenses	$18,300,000	$18,420,000	$18,200,000	$18,200,000	$18,200,000
Investigations of United States citizens for employment by international organizations	491,800	383,000	350,000	350,000	350,000
Payment to civil service retirement and disability fund			589,000,000		589,000,000
Annuities, Panama Canal construction employees and Lighthouse Service widows	2,391,000	2,328,000	2,300,000	2,300,000	2,300,000
Administrative expenses, Federal employees life insurance fund	(123,800)	(123,800)	(123,800)	(123,800)	(123,800)
Total, Civil Service Commission	21,182,800	21,131,000	609,850,000	20,850,000	609,850,000
FEDERAL CIVIL DEFENSE ADMINISTRATION					
Operations	17,000,000	[1] 22,315,000	18,250,000	21,915,000	18,500,000
Emergency supplies and equipment	3,300,000	18,000,000	18,000,000	18,000,000	18,000,000
Research and development	2,000,000	4,400,000	2,000,000	3,000,000	2,000,000
Federal contributions	17,000,000				
Total, Federal Civil Defense Administration	39,300,000	44,715,000	38,250,000	42,915,000	38,500,000
FUNDS APPROPRIATED TO THE PRESIDENT					
Disaster relief	25,000,000				
FEDERAL COMMUNICATIONS COMMISSION					
Salaries and expenses	8,365,000	8,950,000	8,900,000	8,900,000	8,900,000
FEDERAL POWER COMMISSION					
Salaries and expenses	5,666,000	6,385,000	6,000,000	6,385,000	6,385,000
FEDERAL TRADE COMMISSION					
Salaries and expenses	5,950,000	6,025,000	5,950,000	6,000,000	5,975,000
GENERAL ACCOUNTING OFFICE					
Salaries and expenses	36,050,000	38,300,000	37,000,000	37,000,000	37,000,000
GENERAL SERVICES ADMINISTRATION					
Operating expenses, Public Buildings Service	132,689,000	138,500,000	133,039,000	138,089,000	136,539,000
Repair and improvement, federally owned buildings	65,000,000	50,000,000	75,000,000	75,000,000	75,000,000
Sites and expenses, public buildings projects	20,000,000	20,000,000	38,000,000	39,915,000	39,915,000
Construction, public buildings projects	2,125,000		177,255,000	152,810,000	152,810,000
Payments, public buildings purchase contracts	1,331,100	1,265,000	310,900	310,900	310,900
Construction, FOB No. 6, District of Columbia				14,750,000	14,000,000
Construction, United States Court of Claims and Federal Office Building, Washington, D. C.		1,200,000		1,200,000	1,200,000
Construction, United States Mission Building, New York, N. Y.		3,975,000		3,975,000	3,750,000
Hospital facilities in the District of Columbia	2,000,000				
Operating expenses, Federal Supply Service	[2] 3,360,000	[2] 3,615,000	[2] 3,360,000	[2] 3,560,000	[2] 3,460,000
Expenses, supply distribution	17,765,000	19,500,000	18,165,000	19,365,000	18,765,000
General supply fund	12,500,000	15,000,000		12,500,000	6,250,000
Operating expenses, National Archives and Records Service	7,293,000	7,650,000	7,293,000	7,615,000	7,443,000
Operating expenses, Transportation and Public Utilities Service	1,590,000	2,000,000	1,800,000	1,900,000	1,850,000
Strategic and critical materials		70,000,000	[4]	80,500,000	3,000,000
Salaries and expenses, Office of Administrator	260,000	200,000	200,000	200,000	200,000
Administrative operations fund (limitation)	(10,530,000)	(11,100,000)	(10,700,000)	(11,386,000)	(11,043,000)
Total, General Services Administration	265,913,100	332,905,000	454,422,900	551,689,900	464,492,900
HOUSING AND HOME FINANCE AGENCY					
Office of the Administrator:					
Salaries and expenses	7,380,000	8,850,000	8,000,000	8,750,000	8,000,000
Urban planning grants	1,275,000	3,500,000	3,000,000	3,500,000	3,250,000
Farm housing research	75,000			100,000	
Reserve of planned public works (payment to revolving fund)	5,000,000	8,500,000	7,000,000	7,000,000	7,000,000
Capital grants for slum clearance and urban renewal		50,000,000	50,000,000	50,000,000	50,000,000
Total, Office of the Administrator	13,730,000	70,850,000	68,000,000	69,350,000	68,250,000

See footnotes at end of table.

TITLE I.—*Independent offices*—Continued

Item	Appropriations, 1958	Budget estimates, 1959	House bill	Senate bill	Conference action
HOUSING AND HOME FINANCE AGENCY—continued					
Public Housing Administration:					
Annual contributions	$95,000,000	$114,000,000	$107,500,000	$107,500,000	$107,500,000
Administrative expenses	11,440,000	12,200,000	11,800,000	11,800,000	11,800,000
Total, Public Housing Administration	106,440,000	126,200,000	119,300,000	119,300,000	119,300,000
Total, Housing and Home Finance Agency	120,170,000	197,050,000	187,300,000	188,650,000	187,550,000
INTERSTATE COMMERCE COMMISSION					
Salaries and expenses	16,750,000	17,500,000	16,750,000	17,250,000	17,000,000
NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS					
Salaries and expenses	74,720,000	80,480,000	78,100,000	80,100,000	78,100,000
Construction and equipment	41,200,000	26,220,000	23,000,000	26,220,000	23,000,000
Total, National Advisory Committee for Aeronautics	115,920,000	106,700,000	101,100,000	106,320,000	101,100,000
NATIONAL CAPITAL HOUSING AUTHORITY					
Operation and maintenance of properties	38,000	45,500	38,000	----------	38,000
NATIONAL SCIENCE FOUNDATION					
Salaries and expenses	49,750,000	140,000,000	115,000,000	140,000,000	130,000,000
RENEGOTIATION BOARD					
Salaries and expenses	3,000,000	2,900,000	2,850,000	2,850,000	2,850,000
SECURITIES AND EXCHANGE COMMISSION					
Salaries and expenses	6,700,000	7,100,000	6,800,000	7,100,000	7,100,000
SELECTIVE SERVICE SYSTEM					
Salaries and expenses	27,000,000	28,000,000	27,500,000	27,500,000	27,500,000
VETERANS' ADMINISTRATION					
General operating expenses	161,374,000	149,582,000	147,500,000	149,582,000	147,500,000
Medical administration and miscellaneous operating expenses	21,763,400	21,481,000	21,000,000	28,281,000	26,000,000
Inpatient care	[3] 710,378,000	[5] 708,902,000	715,465,000	717,267,000	715,465,000
Outpatient care	79,000,000	75,798,000	75,000,000	75,798,000	75,399,000
Maintenance and operation of supply depots	1,827,800	2,136,000	2,000,000	2,110,000	2,055,000
Compensation and pensions	3,082,250,000	3,232,000,000	3,200,000,000	3,200,000,000	3,200,000,000
Readjustment benefits	814,047,000	717,960,000	700,000,000	700,000,000	700,000,000
Veterans insurance and indemnities	----------	51,100,000	51,100,000	51,100,000	51,100,000
Grants to the Republic of the Philippines	1,579,802	1,250,000	1,000,000	1,250,000	1,250,000
Construction of hospital and domiciliary facilities	42,500,000	9,145,000	19,145,000	19,445,000	19,295,000
Major alterations, improvements, and repairs	2,028,000	----------	----------	----------	----------
Military and naval insurance	4,275,000	----------	----------	----------	----------
National service life insurance	7,600,000	----------	----------	----------	----------
Servicemen's indemnities	32,127,500	----------	----------	----------	----------
Service-disabled veterans insurance fund	1,500,000	----------	----------	----------	----------
Total, Veterans' Administration	4,962,250,502	4,969,354,000	4,932,210,000	4,944,833,000	4,938,064,000
Total, title I	5,709,005,402	5,927,060,500	6,549,920,900	6,108,242,900	6,582,304,900

[1] Including $2,915,000 in S. Doc. 89 for consolidation of delegated functions.
[2] And $1,600,000 from proceeds of surplus personal property disposal.
[3] And $1,865,000 from proceeds of surplus personal property disposal.
[4] Language.
[5] And in addition $6,656,000 from reimbursements.
[6] Including $1,802,000 in S. Doc. 94.

TITLE II.—*Corporations—Administrative expenses*

[Limitations on amounts of corporate funds to be expended]

Corporation or agency	Authorizations, 1958	Budget estimates, 1959	House bill	Senate bill	Conference action
Federal Home Loan Bank Board	$1,250,000	$1,600,000	$1,600,000	$1,600,000	$1,600,000
Federal Savings and Loan Insurance Corporation	675,000	720,000	720,000	720,000	720,000
General Services Administration:					
Abaca fiber program	47,000	47,000	47,000	47,000	47,000
Federal Facilities Corporation	50,000	50,000	25,000	40,000	25,000
Reconstruction Finance Corporation liquidation fund	800,000	54,000	42,500	54,000	50,000
Housing and Home Finance Agency:					
College housing loans	1,377,000	1,675,000	1,675,000	1,675,000	1,675,000
Public facility loans	400,000	[1] 750,000	400,000	525,000	400,000
Revolving fund (liquidating programs)	1,100,000	673,000	600,000	600,000	600,000
Federal National Mortgage Association	4,750,000	4,750,000	4,750,000	4,750,000	4,750,000
Federal Housing Administration	7,260,000	7,400,000	7,300,000	7,300,000	7,300,000
Public Housing Administration	[2] 12,420,000	[2] 12,700,000	[2] 12,258,000	[2] 12,250,000	[2] 12,250,000
Total, administrative expenses	17,709,000	17,719,000	17,159,500	17,311,000	17,167,000

[1] Including $200,000 in S. Doc. 94.

[2] Includes funds available by appropriation in title I, and by transfer from the revolving fund (liquidating programs) and is not included in totals to avoid duplication.

TERMINATION OF FEDERAL SUPERVISION OVER KLAMATH INDIAN TRIBE

Mr. NEUBERGER. Mr. President, I ask the Chair to lay before the Senate, the amendment of the House of Representatives to S. 3051, amending the act terminating Federal supervision over the Klamath Indian Tribe.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 3051) to amend the act terminating Federal supervision over the Klamath Indian Tribe by providing in the alternative for private or Federal acquisition of the part of the tribal forest that must be sold, and for other purposes, which was, to strike out all after the enacting clause and insert:

That the act of August 13, 1954 (68 Stat. 718), is amended by adding a new section 28 as follows:

"SEC. 28. Notwithstanding the provisions of sections 5 and 6 of the act of August 13, 1954 (68 Stat. 718), and all acts amendatory thereof—

"(a) The tribal lands that comprise the Klamath Indian Forest, and the tribal lands

that comprise the Klamath Marsh, shall be designated by the Secretary of the Interior and the Secretary of Agriculture, jointly.

"(b) The portion of the Klamath Indian Forest that is selected for sale pursuant to subsection 5 (a) (3) of this act to pay members who withdraw from the tribe shall be offered for sale by the Secretary of the Interior in appropriate units, on the basis of competitive bids, to any purchaser or purchasers who agree to manage the forest lands as far as practicable so as to furnish a continuous supply of timber according to plans to be prepared and submitted by them for approval and inclusion in the conveyancing instruments in accordance with specifications and requirements referred to in the invitations for bids: *Provided*, That no sale shall be for a price that is less than the realization value of the units involved determined as provided in subsection (c) of this section. The terms and conditions of the sales shall be prescribed by the Secretary. The specifications and minimum requirements to be included in the invitations for bids, and the determination of appropriate units for sale, shall be developed and made jointly by the Secretary of the Interior and the Secretary of Agriculture. Such plans when prepared by the purchaser shall include provisions for the conservation of soil and water resources as well as for the management of the timber resources. Such plans shall be satisfactory to and have the approval of the Secretary of Agriculture as complying with the minimum standards included in said specifications and requirements before the prospective purchaser shall be entitled to have his bid considered by the Secretary of the Interior and the failure on the part of the purchaser to prepare and submit a satisfactory plan to the Secretary of Agriculture shall constitute grounds for rejection of such bid. Such plans shall be incorporated as conditions in the conveyancing instruments executed by the Secretary and shall be binding on the grantee and all successors in interest. The conveyancing instruments shall provide for a forfeiture and a reversion of title to the lands to the United States, not in trust for or subject to Indian use, in the event of a breach of such conditions. The purchase price paid by the grantee shall be deemed to represent the full appraised fair market value of the lands, undiminished by the right of reversion retained by the United States in a nontrust status, and the retention of such right of reversion shall not be the basis for any claim against the United States. The Secretary of Agriculture shall be responsible for enforcing such conditions. Upon any reversion of title pursuant to this subsection, the lands shall become national forest lands subject to the laws that are applicable to lands acquired pursuant to the act of March 1, 1911 (36 Stat. 961), as amended.

"(c) Within 60 days after this section becomes effective the Secretary of the Interior shall contract by negotiation with 3 qualified appraisers or 3 qualified appraisal organizations for a review of the appraisal approved by the Secretary pursuant to subsection 5 (a) (2) of this act, as amended. In such review full consideration shall be given to all reasonably ascertainable elements of land, forest, and mineral values. Not less than 30 days before executing such contracts the Secretary shall notify the chairman of the House Committee on Interior and Insular Affairs and the chairman of the Senate Committee on Interior and Insular Affairs of the names and addresses of the appraisers selected. The cost of the appraisal review shall be paid from tribal funds which are hereby made available for such purpose, subject to full reimbursement by the United States, and the appropriation of funds for that purpose is hereby authorized. Upon the basis of a review of the appraisal heretofore made of the forest units and marshlands involved and such other materials as may be readily available, including additional market data since the date of the prior approval, but without making any new and independent appraisal, each appraiser shall estimate the fair-market value of such forest units and marshlands as if they had been offered for sale on a competitive market without limitation on use during the interval between the adjournment of the 85th Congress and the termination date specified in subsection 6 (b) of this act, as amended. This value shall be known as the realization value. If the three appraisers are not able to agree on the realization value of such forest units and marshlands, then such realization values shall be determined by averaging the values estimated by each appraiser. The Secretary shall report such realization values to the chairman of the House Committee on Interior and Insular Affairs and to the chairman of the Senate Committee on Interior and Insular Affairs not later than January 15, 1959. No sale of forest units that comprise the Klamath Indian forest designated pursuant to subsection 28 (a) shall be made under the provisions of this act prior to April 1, 1959.

"(d) If all of the forest units offered for sale in accordance with subsection (b) of this section are not sold before July 1, 1961, the Secretary of Agriculture shall publish in the Federal Register a proclamation taking title in the name of the United States to as many of the unsold units or parts thereof as have, together with the Klamath Marshlands acquired pursuant to subsection (f) of the section, an aggregate realization value of not to exceed $90 million, which shall be the maximum amount payable for lands acquired by the United States pursuant to this act. Compensation for the forest lands so taken shall be the realization value of the lands determined as provided in subsection (c) of this section, unless a different amount is provided by law enacted prior to the proclamation of the Secretary of Agriculture. Appropriation of funds for that purpose is hereby authorized. Payment shall be made as soon as possible after the proclamation of the Secretary of Agriculture. Such lands shall become national forest lands subject to the laws that are applicable to lands acquired pursuant to the act of March 1, 1911 (36 Stat. 961), as amended. Any of the forest units that are offered for sale and that are not sold or taken pursuant to subsection (b) or (d) of this section shall be subject to sale without limitation on use in accordance with the provisions of section 5 of this act.

"(e) If at any time any of the tribal lands that comprise the Klamath Indian Forest and that are retained by the tribe are offered for sale other than to members of the tribe, such lands shall first be offered for sale to the Secretary of Agriculture, who shall be given a period of 12 months after the date of each such offer within which to purchase such lands. No such lands shall be sold at a price below the price at which they have been offered for sale to the Secretary of Agriculture, and if such lands are reoffered for sale they shall first be reoffered to the Secretary of Agriculture. The Secretary of Agriculture is hereby authorized to purchase such lands subject to such terms and conditions as to the use thereof as he may deem appropriate, and any lands so acquired shall thereupon become national forest lands subject to the laws that are applicable to lands acquired pursuant to the act of March 1, 1911 (36 Stat. 961), as amended.

"(f) The lands that comprise the Klamath Marsh shall be a part of the property selected for sale pursuant to subsection 5 (a) (3) of this act to pay members who withdraw from the tribe. Title to such lands is hereby taken in the name of the United States, effective July 1, 1961. Such lands are designated as the Klamath Forest National Wildlife Refuge, which shall be administered in accordance with the law applicable to areas acquired pursuant to section 4 of the act of March 16, 1934 (48 Stat. 451), as amended or supplemented. Compensation for said taking shall be the realization value of the lands determined in accordance with subsection (c) of this section, and shall be paid out of funds in the Treasury of the United States, which are hereby authorized to be appropriated for that purpose.

"(g) Any person whose name appears on the final roll of the tribe, and who has since December 31, 1956, continuously resided on any lands taken by the United States by subsections (d) and (f) of this section, shall be entitled to occupy and use as a homesite for his lifetime a reasonable acreage of such lands, as determined by the Secretary of Agriculture, subject to such regulations as the Secretary of Agriculture may issue to safeguard the administration of the national forest and as the Secretary of the Interior may issue to safeguard the administration of the Klamath Forest National Wildlife Refuge.

"(h) If title to any of the lands comprising the Klamath Indian Forest is taken by the United States, the administration of any outstanding timber sales contracts thereon entered into by the Secretary of the Interior as trustee for the Klamath Indians shall be administered by the Secretary of Agriculture.

"(i) All sales of tribal lands pursuant to subsection (b) of this section or pursuant to section 5 of this act on which roads are located shall be made subject to the right of the United States and its assigns to maintain and use such roads."

SEC. 2. Section 4 of the act of August 13, 1954, is amended by adding thereto a new sentence reading thus: "Property which this section makes subject to inheritance or bequest and which is inherited or bequeathed after August 13, 1954, and prior to the transfer of title to tribal property as provided in section 6 of this act shall not be subject to State or Federal inheritance, estate, legacy, or succession taxes."

SEC. 3. No funds distributed pursuant to section 5 of the act of August 13, 1954, as amended, to members who withdraw from the tribe shall be paid to any person as compensation for services pertaining to the enactment of said act or amendments thereto and any person making or receiving such payments shall be guilty of a misdemeanor and shall be imprisoned for not more than 6 months and fined not more than $500.

SEC. 4. The Secretary of the Interior is directed to terminate the contract between him and the management specialists by giving immediately the 60-day notice required by paragraph 18 of such contract. When the contract is terminated, all of the functions of the management specialists under section 5 of the act of August 13, 1954, as amended, shall be performed by the Secretary.

SEC. 5. Nothing in this act shall in any way modify or repeal the provisions of subsection 5 (a) of the act of August 13, 1954 (68 Stat. 718), as amended, providing for and requiring members of the Klamath Tribe to elect to withdraw from or remain in the tribe, following review of the appraisal of the tribal property.

SEC. 6. The first proviso of subsection 5 (a) (3) of the act of August 13, 1954 (68 Stat. 718), relating to distributions in $200,000 installments, is repealed.

SEC. 7. The second proviso of subsection 5 (a) (3) of said act, as amended, relating to Indian preference rights, is further amended by deleting "any individual Indian purchaser may apply toward the purchase price all or any part of the sum due him from the conversion of his interest in tribal property" and by inserting in lieu thereof "any individual Indian purchaser who has elected to withdraw from the tribe may apply toward

the purchase price up to 100 percent of the amount estimated by the Secretary to be due him from the sale or taking of forest and marsh lands pursuant to subsections 28 (b), 28 (d), and 28 (f) of this act, and up to 75 percent of the amount estimated by the Secretary to be due him from the conversion of his interest in other tribal property."

SEC. 8. The act of August 13, 1954 (68 Stat. 718), is amended by adding at the end of subsection 5 (a) (5) the following sentence: "If no plan that is satisfactory both to the members who elect to remain in the tribe and to the Secretary has been prepared 6 months before the time limit provided in subsection 6 (b) of this act, as amended, the Secretary shall adopt a plan for managing the tribal property, subject to the provisions of section 15 of this act, as amended."

SEC. 9. Except as provided below, the provisions of the act of August 13, 1954 (68 Stat. 718), as amended, shall not apply to cemeteries within the reservation. The Secretary is hereby authorized and directed to transfer title to such properties to any organization authorized by the tribe and approved by him. In the event such an organization is not formed by the tribe within 18 months following enactment of this act, the Secretary is directed to perfect the organization of a nonprofit entity empowered to accept title and maintain said cemeteries, any costs involved to be subject to the provisions of section 5 (b) of said act of August 13, 1954, as amended.

SEC. 10. Subsection (b) of section 6 of the act of August 13, 1954 (68 Stat. 718), as amended, is further amended by striking out "6 years" and inserting in lieu thereof "7 years."

SEC. 11. Subsection 8 (b) of the act of August 13, 1954 (68 Stat. 718), as amended, is further amended by changing the colon to a period and by deleting the following language: *"Provided,* That the provisions of this subsection shall not apply to subsurface rights in such lands, and the Secretary is directed to transfer such subsurface rights to one or more trustees designated by him for management for a period of not less than 10 years."

Mr. NEUBERGER. Mr. President, on July 29, 1958, the House of Representatives amended S. 3051. I move that the Senate disagree to the amendment of the House of Representatives, request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. NEUBERGER, Mr. ANDERSON, Mr. CHURCH, Mr. WATKINS, and Mr. GOLDWATER, conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3579. An act for the relief of Stirley Louis Berutich;

H. R. 6773. An act for the relief of Bonifacio Santos;

H. R. 7757. An act to amend section 382 of the Communications Act of 1934 to provide an exemption from the requirements of part III of title III of that act in the case of certain vessels;

H. R. 8905. An act for the relief of Hubert D. Thatcher, Robert R. Redston, Andrew E. Johnson, William L. Barber, Alex Kamkoff, and William S. Denisewich;

H. R. 9160. An act for the relief of Genoveva Rioseco Caswell;

H. R. 9833. An act to amend section 27 of the Merchant Marine Act of 1920;

H. R. 9851. An act for the relief of Tsuyako Ikeda;

H. R. 9993. An act for the relief of Miss Mary M. Browne;

H. R. 11200. An act for the relief of the estate of L. L. McCandless, deceased;

H. R. 11236. An act for the relief of Arthur G. Williams;

H. R. 11357. An act for the relief of Miss Terez Csencsits;

H. R. 12060. An act for the relief of Michael J. Conlin;

H. R. 12217. An act to amend paragraph (2) of subdivision (c) of section 77 of the Bankruptcy Act, as amended;

H. R. 12256. An act for the relief of Alphonse E. Jakubauskas;

H. R. 12364. An act for the relief of Mrs. Viola Barksdale;

H. R. 12365. An act for the relief of the estate of Suck Pil Ra;

H. R. 12569. An act to amend section 31 of the Organic Act of Guam, and for other purposes;

H. R. 12624. An act for the relief of Palmer-Bee Co.;

H. R. 12894. An act to authorize the making, amendment, and modification of contracts to facilitate the national defense;

H. R. 12903. An act for the relief of Wolfgang Stresemann;

H. R. 12942. An act for the relief of Walter H. Berry;

H. R. 12967. An act to amend the Fair Labor Standards Act of 1938 with respect to the frequency of review of minimum wage rates established for Puerto Rico and the Virgin Islands;

H. R. 13151. An act for the relief of Everett A. Ross;

H. R. 13312. An act for the relief of Forrest E. Decker; and

H. R. 13455. An act to amend the Atomic Energy Act of 1954, as amended.

HOUSE BILLS REFERRED OR PLACED ON THE CALENDAR

The following bills were severally read twice by their titles and referred, or placed on the calendar, as indicated:

H. R. 3579. An act for the relief of Stirley Louis Berutich;

H. R. 6773. An act for the relief of Bonifacio Santos;

H. R. 8905. An act for the relief of Hubert D. Thatcher, Robert R. Redston, Andrew E. Johnson, William L. Barber, Alex Kamkoff, and William S. Denisewich;

H. R. 9160. An act for the relief of Genoveva Rioseco Caswell;

H. R. 9851. An act for the relief of Tsuyako Ikeda;

H. R. 9993. An act for the relief of Miss Mary M. Browne;

H. R. 11200. An act for the relief of the estate of L. L. McCandless, deceased;

H. R. 11236. An act for the relief of Arthur G. Williams;

H. R. 11357. An act for the relief of Miss Terez Csencsits;

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H. R. 12894. An act to authorize the making, amendment, and modification of contracts to facilitate the national defense;

H. R. 12903. An act for the relief of Wolfgang Stresemann;

H. R. 12942. An act for the relief of Walter H. Berry;

H. R. 13151. An act for the relief of Everett A. Ross; and

H. R. 13312. An act for the relief of Forrest E. Decker; to the Committee on the Judiciary.

H. R. 7757. An act to amend section 382 of the Communications Act of 1934 to provide an exemption from the requirements of part III of title III of that act in the case of certain vessels; and

H. R. 9833. An act to amend section 27 of the Merchant Marine Act of 1920; to the Committee on Interstate and Foreign Commerce.

H. R. 12569. An act to amend section 31 of the Organic Act of Guam, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 12967. An act to amend the Fair Labor Standards Act of 1938 with respect to the frequency of review of minimum wage rates established for Puerto Rico and the Virgin Islands; to the Committee on Labor and Public Welfare.

H. R. 13455. An act to amend the Atomic Energy Act of 1954, as amended; placed on the calendar.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1959

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 2006, House bill 12738, the Defense Department appropriation bill.

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

The LEGISLATIVE CLERK. A bill (H. R. 12738) making appropriations for the Department of Defense for the fiscal year ending June 30, 1959, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas [Mr. JOHNSON].

The motion was agreed to; and the Senate proceded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

INCREASES IN STEEL PRICES

Mr. KEFAUVER obtained the floor.

Mr. CHAVEZ. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CHAVEZ. Did I correctly understand the Chair to say that Calendar No. 2006, House bill 12738, the Defense Department appropriation bill, had been made the unfinished business?

The PRESIDING OFFICER. The Senator is correct.

Mr. CHAVEZ. Am I to understand that the Chair does not wish to recognize the chairman of the subcommittee which reported the bill? I have been waiting patiently all day.

The PRESIDING OFFICER. The Chair recognized the Senator from Tennessee, because the Senator from Tennessee asked for recognition. The Chair had no discretion. Under the

rules, it is the Chair's understanding that he is required to recognize the first Senator who addresses him.

Mr. KEFAUVER. Mr. President, I merely wish to make a brief statement. I have no desire to delay the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, this bill contains total appropriations of more than $40 billion, several billion more than we considered at the previous session of Congress. I think the American people are entitled to know why we are spending so much money. All I desire to do is to proceed with the consideration of the bill.

Mr. KEFAUVER. I am sorry to delay the Senator for even a moment, but my remarks will be very brief. They concern a matter of great importance to the American people and to the consumers of the United States.

Mr. President, according to the morning newspapers, Armco Steel Corp., the Nation's seventh largest steel producer, announced that it is raising its price, effective tomorrow, by an average of about $4.50 a ton on hot and cold-rolled carbon steel sheet and strip. It is reported that Republic Steel Corp., the Nation's third largest steel producer, also plans to increase its price.

Only a little while ago I learned that the Jones & Laughlin Steel Corp., which I believe is the third largest in the United States, announced that it would follow suit and raise its prices, just as Armco and Republic raised theirs.

The critical question, of course, is whether United States Steel will also raise its price. A month ago board chairman, Charles M. White, of Republic Steel said, "If we did (raise prices before Big Steel acted) we could not sell any steel." Yesterday, in issuing its financial report for the second quarter, Mr. Roger M. Blough, chairman of the board of United States Steel Corp., is reported to have said in connection with steel prices, "We have nothing in mind at this time." Whether these announcements by Armco and Republic, and Jones & Laughlin prove to be anything more than trial balloons to be hastily hauled down, as was the case of Alan Wood's similar announcement of 3 weeks ago, depends, of course, on what United States Steel will do.

Last year, when the steel companies raised their prices by an average of $6 a ton, the increased cost to the direct buyers of steel was approximately $540 million. Of course, by the time it has passed through the successive states of processing and distribution and reached the ultimate consumer, the increase was undoubtedly several times this amount. If the $4.50 increase announced by Armco and the others is adopted by United States Steel, and the entire industry, the cost to the direct buyers of steel, allowing for the difference in the level of steel production, will be in the vicinity of $285 million. This is a sizable toll to be exacted from steel buyers at any time, and particularly in a period of generally depressed economic conditions.

In justification for their action, the steel companies of course take the position that a price increase is needed in order to offset the increase in costs rising from the wage increases granted under the third year of the contract with the United Steelworkers of America. In previous speeches on this subject I have pointed out that a substantial part of the wage increase would be offset by the long-run increase in labor productivity. Moreover, as early as May 22 I had expressed the hope that in order to forestall a steel price increase, the President would call a conference of representatives of industry and labor to work out a wage-price program.

Mr. McDonald, president of the steel workers' union, indicated a willingness to join in such a conference for this purpose. Mr. Blough, of United States Steel, did not decline to participate.

Frankly, I believe that in the interest of the general economy and our recovery, the leaders of industry and labor, and in this case particularly the United Steelworkers, should be willing to make some concessions, or perhaps delay some benefits, for the general good, and to get workers back to work. This is a case in which both industry and labor have an obligation and a responsibility.

President Eisenhower declined to take action, stating that he preferred to discharge his "responsibility in the matter by continuing on the course I have set." If this steel price increase sticks, it will be obvious that that course, whatever it is, has proved to be singularly ineffective.

More light on the "need" of the steel companies for the price increase can be gained by examining their profit figures. As has been brought out before the Subcommittee on Antitrust and Monopoly, profit rates in the steel industry vary considerably with the level of production. Since steel production has fallen substantially during the current recession, it is only to be expected that profit rates would also decline. The question, however, is whether they have declined to such a level as to make necessary a further price increase, particularly when it is considered that an additional steel price advance would undoubtedly lead to a further reduction in steel demand and thus steel production. For the first half of 1958—adjusted to an annual basis—the rate of return on stockholders' equity after taxes for Republic Steel Corp. was 6.8 percent. Although second-quarter figures for Armco apparently are not yet available, its rate of return for the first quarter of 1958, adjusted to an annual basis, was 7.2 percent. In 1924, 1925, and 1927 the profit rate for the steel industry as a whole was in the neighborhood of 7 percent. Each of these years was considered reasonably satisfactory for the steel industry, and in none did the steel industry regard its profit as so unsatisfactory as to require a price increase. Indeed, throughout this period steel prices underwent a steady decline. Again in 1937, the most prosperous year of the thirties and also considered to be a "good" year for the steel industry, the industry's profit rate was only 7.2 percent.

Now what of United States Steel? For the first half of 1958 its profit rate after taxes on stockholders' investment is 9 percent on an annual basis. This is about the same level as it enjoyed in such "good" years in the past as 1924, 1925, 1928, 1949, and 1954. The one great difference, however, is that in order to attain a profit rate of around 9 percent in those past years United States Steel had to achieve a rate of production of between 75 and 85 percent of capacity. Now it achieves the same profit rate with an operating rate in the first half of this year of only 54 percent. In other words, United States Steel Corp. and, to a lesser extent, the industry as a whole, can make the same rate of profit today as in the past with a much lower rate of production. That profit rates in steel have fallen from the extra big profit days of 1955, 1956, and 1957, is conceded. That they have fallen to such a level as to require a price increase is, to put it mildly, dubious. I do not believe it is justified.

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

Mr. KEFAUVER. I yield to the distinguished Senator from North Dakota, the former chairman of the Committee on the Judiciary and the Monopoly Subcommittee of the Committee on the Judiciary.

Mr. LANGER. I should like to ask my distinguished friend from Tennessee what effect the price increase will have on the automobile industry, into which industry the distinguished Senator from Wyoming [Mr. O'MAHONEY] together with other members of the Monopoly Subcommittee, has been conducting an investigation.

Mr. KEFAUVER. I am glad the Senator asked that question, as to what effect it will have on the automobile industry. We know that one of the reasons for the depression or recession—or whatever one may wish to call it—is that automobiles have not been selling and that workers in the industry are out of employment. The industry has had to raise prices because, among other reasons, the price of steel was increased on July 1, 1957.

If the prices are increased again, the automobile manufacturers undoubtedly will have to raise their prices again, and not only by the amount of the steel price increase for the cost is pyramided several times. It will mean that it will become more difficult to sell automobiles. The little recovery which has been indicated in the automobile industry will be retarded, if not wiped out entirely. One person in every 7 in America depends on the automobile industry for a livelihood, directly or indirectly. That is true not only of automobiles, but also of appliances and almost everything people buy. Prices will have to go up if the price of steel is raised.

Mr. LANGER. I have been a Member of the Senate for 18 years, and I have never seen a more thorough investigation of the steel industry than that which was conducted by the distinguished Senator from Tennessee [Mr. KEFAUVER]. He has done an outstanding job, for which the Nation owes him thanks. The investigation into the automobile industry, conducted by the distinguished Senator from Wyoming [Mr. O'MAHONEY] and his subcommittee, has

helped materially to bring many facts to the attention of the public.

I do not know how long a long-suffering public will stand for it. However, something will certainly have to be done to keep the steel companies from raising their prices and continuing to raise them. The investigation showed, did it not, that there have been raises continually, year after year?

Mr. KEFAUVER. Yes. First, I thank the Senator for what he has said about the steel investigation. He participated actively in it. Whatever success we had was due substantially to his participation in it. The investigation showed that year after year prices were raised and raised, until, frankly, I believe steel is getting to the point where it may be pricing itself out of the world market. Shipments abroad have been cut down. Substitutes are coming in. Steel is vested with a public interest. The constant increase in the price of steel has led some people to ask for Government supervision of some kind. I hope that will not be necessary. However, with these increases going on and on, we will hear more and more demand that something in the way of controls be initiated, or that at least notice be given before a price increase goes into effect. The demands upon Congress for such action will increase.

Mr. LANGER. I should like to ask one more question of the distinguished Senator from Tennessee. Does he remember any testimony that the steel companies have ever reduced their prices?

Mr. KEFAUVER. I do not remember any. Certainly that has not been true since the depression years of 1932 or 1933. The testimony has been to the effect that the price has been going up from year to year. Armco raised its price this year. Some of the other steel companies have raised their prices to meet competition.

Mr. LANGER. At the very time when the President of the United States issued a public statement begging steel corporations not to raise their prices, United States Steel raised its prices by $6 a ton. Is that not correct?

Mr. KEFAUVER. That is correct. In 1957, when the President said it was very important that we hold the line against inflation, and that the masters of the industry ought to be careful not to make price increases which would adversely affect the economy, United States Steel did raise its price by $6 a ton.

The President has said the same thing again this year, but not forcibly enough. I hope there will not be any unjustified price increases this year. Some companies have started raising them. I wish to compliment United States Steel on its reluctance to raise its price at this time. I hope the broader view and patriotic approach will govern them. I hope United States Steel will not go along with the increases which have been made by Armco and Republic. If they do that, I shall be the first to congratulate them heartily and to commend them for their great public service. Time will tell whether they will act greedily or in the public interest.

The most important aspect of the steel price increase is, of course, the effect upon the economy as a whole. For nearly a year the Nation has been experiencing a recession. In recent weeks there has been some evidence that the downward trend might be leveling off. The most important factor in determining whether the recession will continue is the level of consumer buying. If the buying public increases its real consumption of goods and services, particularly durable goods, the days of the recession may well be numbered. If, however, this does not happen, we can only expect a continuation of the economic decline.

The most authoritative and accurate indicator of what consumers are planning to do consists of surveys of consumer anticipations conducted by the Survey Research Center of the University of Michigan. Recently the center completed its survey for the month of June of this year. Reporting on the results of this survey, the journal, Business Week, in its issue of July 19 reports that the index of consumer confidence, after dropping sharply in 1957, has leveled off during the last 6 months. Its future direction is reported to be largely dependent upon what happens to prices. According to Business Week:

> Researchers wound up this survey with one positive conviction. Today's consumer is holding back from buying because he feels pinched, not because he is fed to the teeth with goods.
>
> * * * * *
>
> What happens to prices in the next months promises to be crucial. Consumers expressed far less concern about inflation than they felt a year ago. They are convinced that in a period of oversupply prices must go down. The consumer is not dead on his feet. But if he doesn't like what the months ahead offer him, he is likely to keep sitting on his hands.

Because it will be reflected, in one way or the other, in higher prices of nearly everything that he buys—from automobiles and appliances to food and housing—nothing could contribute more to the consumer sitting on his hands than a price increase in steel. This is a delicate period in the economic history of the country. According to the director of the Survey Research Center, Dr. George Katona, whatever confidence the consumer is beginning to feel about better times ahead is a frail blossom. If consumers are confronted with even higher prices at a time when, in their belief, prices should be heading down because of oversupply, the frail blossom will never bloom and the economy will resume its downward course.

These are some of the considerations which I most earnestly hope the United States Steel Corp. will take into account before deciding whether it wishes to follow the unfortunate example set by Armco and Republic and Jones and Laughlin.

Mr. McNAMARA. I think every Member of the Senate owes the Senator from Tennessee a vote of thanks for his activities in this area of our economy.

I ask the Senator if the suppliers who have already announced an increase in their prices—and there are many, I understand—are the ones who furnish most of the steel to the automobile industry. Or is United States Steel one of the largest suppliers? I understand that United States Steel has not threatened to raise its price.

Mr. KEFAUVER. United States Steel Corp., so far, has acted in the greater interest of the Nation. It has not said it will increase its prices.

The company which has announced an increase is Armco, the seventh largest producer; and Republic, which is one of the top five or six, has said it will follow suit. Just a little while ago we learned that Jones and Laughlin, the third largest, said it would follow Armco's lead. These companies, as I understand, furnish a substantial amount of steel to the automobile industry.

In my opinion, however, if United States Steel and Bethlehem Steel, but particularly United States Steel, will not follow this unjustified price increase; if they will consider the greater interests; if they will consider increasing production at their plants; then the other companies, which have said they will raise their prices, will not be able to sustain their raises. Thus another round of inflation, with a spreading of the fire of recession, will have been avoided. But what United States Steel and Bethlehem Steel will do, I do not know.

Mr. McNAMARA. Is it not true that the steel industry generally is operating at less than 50 percent of capacity, or close to 50 percent of capacity, these days?

Mr. KEFAUVER. For quite a while, the steel industry was operating below 50 percent of capacity, even as low as 44 percent. The last report is that the industry is operating at 54 percent of capacity. This means that 46 percent of the capacity is a dead waste, or loss. All the employees who would operate the plants if they were operating at greater capacity, are not being utilized.

Of course, the way to make greater profits and to keep prices down is to increase the capacity. That will lower the cost of production; the costs will level out.

Mr. McNAMARA. The overhead will remain the same.

Mr. KEFAUVER. Yes, the overhead will remain the same. I thank the Senator from Michigan.

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

Mr. KEFAUVER. I yield to the Senator from Colorado, who is a member of the Antitrust and Monopoly Subcommittee and who has contributed much good thinking to this subject.

Mr. CARROLL. Everything which the distinguished Senator from Tennessee, who is chairman of this important subcommittee, has said in the Senate today should be read by every Member of this body. I am happy to associate myself with his remarks.

Most especially, I commend the Senator from Tennessee for his unceasing efforts to call this matter to the attention of the public. Today, evidently, we are confronted with a rise in the price of steel, not by one of the leaders in the industry, but by a company which is sixth

or seventh down the line, which will set the pace for the rest of the group.

I firmly believe, as the Senator from Tennessee has pointed out, that if United States Steel will hold the line, ARMCO will back off, as was done by another steel corporation only a few weeks ago. I hope that in the public interest—in the Nation's interest—United States Steel will hold the line. If they do not, unquestionably there will be another inflationary spiral, which will be reflected in costs to the consumer, and will again take out of the pockets of the consumers hundreds of millions of dollars.

Mr. KEFAUVER. I thank the Senator for his statement. He has stated the situation well, especially in this respect, that the consumers, the public of the United States, are watching what United States Steel will do. They know that if the price increase by ARMCO Steel is followed by increases by the other companies, especially by United States Steel, there will be another round of inflation. They know that if this is done, the recovery we have made will be set back. They know that the Nation can ill afford to suffer the great loss which results from the unused capacity of our manufacturing plants at present.

Mr. CARROLL. Mr. President, will the Senator further yield?

Mr. KEFAUVER. I yield.

Mr. CARROLL. The Senator may recall that our subcommittee, of which the Senator from Tennessee is chairman, held an inquiry into the automotive industry. We learned of the increases in cost of numerous items which go into that industry. I think the record will show there are some 18,000 suppliers of the automobile industry.

It is the position of their own economists that the upward trend in prices, taking their own position for what it is worth, is reflected in the prices of automobiles to the consumers.

I read in the newspapers the other day that the automotive industry was about to make substantial purchases of steel. If the price of steel goes up at the very time when the automotive industry, if we are to believe what they say, is trying to hold the price line, then an increase in the price of steel will create an enormous problem in that area, too. That is all the more reason why the able Senator from Tennessee should be commended for his constant and vigilant effort to have the steel companies hold their prices at present levels. If the price of steel for the automotive industry and other industries is to be increased, the effect on prices will be to create another inflationary spiral.

Mr. KEFAUVER. I thank the Senator from Colorado. Every Member of Congress is interested in the problem of trying to prevent inflation. The eyes of the public, of industry, and of the world will be upon what happens in the next few days. Everyone will be watching to see whether United States Steel will act in the greater interest, or whether it will follow the lead of the smaller companies.

Certainly, the Subcommittee on Antitrust and Monopoly will watch the matter very carefully. We have an executive meeting scheduled for Friday of this week. Undoubtedly, the matter will be discussed at that time in the light of what will happen between now and then.

Mr. CARROLL. Does the distinguished Senator from Tennessee feel that this is the time for the President of the United States to speak out in forceful and vigorous terms, inasmuch as Congress has passed no statute to regulate prices? To use a common expression, is not this the time for jawbone enforcement; for the leaders of the Nation to speak out and to ask the giant corporations to hold the line?

Mr. KEFAUVER. I agree fully with the Senator from Colorado. This is the time for the President, in the interest of the Nation and our position in the world, and for the benefit of our economic recovery, to speak firmly, to use the great power of his office and the moral suasion that goes with the Office of the President of the United States. I hope he will do so. The President has already said, of course, that he hoped we could hold the inflationary line; but he should speak out again in the light of what has happened in the last 2 days.

I am sorry I have infringed upon the time of the Senator from New Mexico, but I hope he will excuse me. I know the matter which he is about to present is of great importance, but I think he will agree with me that the subject which I have been discussing is also important and should be discussed, even briefly.

Mr. CHAVEZ. I appreciate the interest of the Senator from Tennessee. He always speaks in the interest of the people. I think the Senator this afternoon has contributed something worth while.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1959

The Senate resumed the consideration of the bill (H. R. 12738) making appropriations for the Department of Defense for the fiscal year ending June 30, 1959, and for other purposes.

Mr. BUSH. Mr. President, will the Senator from New Mexico yield, so that I may suggest the absence of a quorum?

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). Does the Senator from New Mexico yield to the Senator from Connecticut?

Mr. CHAVEZ. Very well, Mr. President; I yield.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. CHAVEZ. Mr. President, the pending measure is House bill 12738, the Department of Defense appropriation bill for the fiscal year 1959.

I wish to call the attention of my colleagues to the figures which appear on the first page of the report, as follows:

The amount of the bill as passed by the House of Representatives was $38,409,561,000.

The amount added by the Senate committee is $1,623,250,000.

The total amount of the bill as reported to the Senate by the Senate Committee on Appropriations is $40,032,811,000.

The amount of the 1959 revised budget estimate is $38,786,970,000.

The amount of the 1958 appropriations for the Department of Defense was $34,499,850,000.

The bill, as reported to the Senate by the Appropriations Committee is $1,245,841,000 over the amount of the budget estimates for the fiscal year 1959, and $5,532,961,000 over the amount of the appropriations for the fiscal year 1958.

Mr. President, the amounts involved are so stupendous that I felt justified in submitting an analysis of the tremendous proposed expenditures, and also the amounts, by items, for each of the services of the Department of Defense.

On the desk of each Member of the Senate is a copy of the report on the bill; and the report gives detailed information on each of the items dealt with by the Senate Appropriations Committee. Therefore, in my statement I shall not attempt to cover all the multitude of items found in the bill; instead, I shall confine my remarks to the major issues involved.

APPROPRIATION SUMMARY

The bill as reported by the Senate Appropriations Committee provides a total of approximately $40 billion. This does not include transfer authority totaling almost another half billion dollars. The total amount of the bill as reported to the Senate is about $1,600,000,000 over the amount voted by the House, and is $1,245,000,000 over the amount of the revised budget estimate. Actually, the amount of the bill as reported to the Senate is $1,800,000,000 over the amount requested by the President last January, and $5½ billion over last year's appropriation. I feel that the bill as now reported is immeasurably stronger than last year's act, when we were forced to accept reductions then currently in favor.

The bill as now reported provides, in round numbers:

For the Army, $9,100,000,000, plus $325 million in transfer;

For the Navy, $11,400,000,000, plus $160 million in transfers;

For the Air Force, $18,200,000,000.

SIZE OF FORCES

The President's revised budget request included funds to provide the following forces in being:

For the Army, 14 divisions, 6 regimental combat teams, and 30 aviation companies.

For the Navy and Marine Corps, 864 active ships, of which 396 will be warships; 3 Marine divisions, and 3 Marine air wings; and 95 fleet air combatant groups and squadrons. The fleet will contain 396 warships, including 14 attack carriers, plus 124 amphibious, 79 mine warfare, 55 patrol, and 212 auxiliary vessels.

For the Air Force, the funds requested by the Department will support 43 strategic, 27 air defense, and 35 tactical wings. The budget funds contemplate

completion of the conversion of 11 heavy bomber wings from units equipped with B–36's to units equipped with B–52's. In addition, the number of units in a wing has been increased from 30 to 45, or the equivalent of five and one-half wings.

HOUSE AND SENATE COMMITTEE ACTION SUMMARIZED

The bill as reported to the Senate includes items for virtually all of the major requests made by the Department.

In addition, it includes about $1,100,000,000 in funds voted by the House of Representatives, above the departmental request, for a strengthened Army, Marine Corps, National Guard, and reserve, as well as for submarines, missiles, and some miscellaneous items.

Even beyond that, it includes $1,600,000,000 added by the Senate Committee. Of this amount almost $600 million is for the military pay raise sent to the Senate in a supplemental request subsequent to House action on the bill. Other major increases making up the Senate increase include about $750 million for aircraft and equipment. Of this, about $350 million is a restoration of spares inventories, and other items cut by the House, and the rest new funds for increases in bombers, tankers, airlift, and other aircraft.

MILITARY STRENGTH INCREASES

Let me speak now about some of the more important individual actions taken by the committee.

I shall begin with military personnel. In the original estimates, funds were provided to support a Regular Army, Navy, Marine Corps, and Air Force of 2,525,000. Through action by the House and the Senate committee, this has been increased to 2,585,000. The increases occur in the Regular Army, for which added funds were recommended which would provide an end-strength increase from the estimated 870,000 to the recommended 900,000 military personnel; and in the Marine Corps, for which funds were added to provide for an increase from the budgeted 175,000 to the recommended 200,000 personnel. We believe these numbers to be the absolute minimum needed to man our defenses, and we strongly urge the Commander in Chief and the Department of Defense to follow this Congressional mandate. I shall have something further to say about this in a moment.

There is also included in the bill funds to support such strength increases, including $37 million to accelerate procurement of modernized Army equipment, and funds to augment Marine Corps aviation.

The committee has also approved the action of the House in regard to increased strength for our Army Reserve Forces. For the National Guard, necessary funds have been provided to maintain a 400,000-man organization, an increase of 40,000 over the budget. In addition, the committee has made provision for continuing the technician program at the 1958 level, which otherwise would have been cut.

What I am trying to emphasize to the Senate is that, in round figures, the committee agreed with the House that the Army personnel should be increased from 870,000 to 900,000; that the Marine Corps should be increased from 175,000 to 200,000; that the Army Reserve should be 300,000 and not one less; and that the National Guard should be 400,000, and not one less. Appropriations were recommended to carry out that kind of program.

For the Army Reserve, funds have been provided increasing the Reserve from 270,000 to 300,000. The committee views these increases as extremely important, remembering as we do that it was the Reserve forces who were called into duty at the very outbreak of our last two wars.

NEED FOR GROUND FORCES

In providing these increases the committee was of the opinion that we have not yet reached a stage in our rocket development where robots can push buttons to conduct wars. Furthermore, recent events have not tended to lessen our fear of the possibility of international aggression. We all remember Josef Stalin's infamous question about the number of battalions on God's side. And we all remember, too, that in the power politics of aggressor nations they retreat before strength and attack where free peoples are weakest.

We have had some experience with their methods of creating brush fire wars. I do not believe that we shall be adequately prepared until we are equipped to handle, not one but several such brush fires at a single time. We are girding our strength for a knockout punch in the event of the big war. But we should not weaken our forces through successive reductions in the Army and Marine Corps so that we will be unable to handle lesser conflicts. Let us not fool ourselves. The scientist with the button will never erase the need for the GI with the gun.

I cannot state too strongly my feelings on this subject, and I hope that all Members of this body who agree will do their utmost to convince those responsible in the executive branch that further cuts will imperil the foundation of our defenses. It is my fervent hope that further reductions in our Armed Forces will be made only when we can all be assured of a lasting peace.

SHIPBUILDING INCREASES

Turning to another aspect of the bill, the committee has approved additional funds for the Navy in both the submarine and shipbuilding programs. The Department requested two new ballistic missile submarines in the 1959 program. This is the Polaris system, which fires ballistic missiles from submerged submarines at distant targets. The committee has approved the House action in providing about $600 million for four more of these submarines, missiles, and equipment. Including 2 approved earlier this year, such action will provide a total of 9 in this extremely promising development. The committee has also approved added funds for three atomic-powered *Regulus* submarines.

The committee has included certain additions in the shipbuilding program as well. In one action we have provided funds for an amphibious assault ship and an amphibious transport dock, which are needed by the Department of the Navy and which have only recently been authorized. In another action the committee has added $13 million for the continued construction of two escort vessels, which would otherwise have been canceled, with resulting losses to the taxpayer of $5,700,000.

The committee concurred with the House in not allowing $35 million for a second nuclear carrier. Secretary McElroy during the hearing indicated that the inclusion of the $35 million does not mean that either the executive branch or the Congress is specifically committed to include a nuclear-powered carrier in the 1960 program. A decision will not be made until this coming winter by the Department of Defense as to the building of the second carrier. The committee feels that the money should not be appropriated until a firm decision is made to build the carrier. If the Department of Defense has doubts on the matter, the committee does not feel it can lay out $35 million of the taxpayers' money for a program on which a decision has not been made by the Defense Department.

AIR FORCE MISSILE DEVELOPMENT AND PROCUREMENT

Some of the largest increases in the bill are found in the Air Force missile and aircraft programs. The committee has approved House action adding $138 million to accelerate and expand the Minuteman and Hounddog missile programs. The Minuteman is an entire system of intercontinental ballistic missiles. The Hounddog program enables intercontinental bombers to extend their range markedly by firing missiles ahead of them at targets hundreds of miles away.

STRENGTHENED AIRCRAFT PROGRAM

In addition, the committee has made certain recommendations which will strengthen our aircraft programs. An additional $360 million has been added to provide 13 B–52–G bombers—a sufficient number to partially complete a requested wing; 30 KC–135 tankers to support its bombing missions; and a number of strategic airlift aircraft, required to fight a modern war. In addition to these, the committee has approved funds for 30 jet transport aircraft and for 10 jet training aircraft. We have certainly not yet reached a stage in our missile development when we can afford to permit our aircraft programs to decline.

The committee has also restored most of the funds requested for aircraft spare parts in the three services. Testimony revealed that reductions at this stage would jeopardize logistic support necessary to the readiness stock objective program and a year of a peacetime flying program.

EMERGENCY FUND

The committee has also increased by $100 million the transfer authority to provide flexibility in financing promptly technical breakthroughs in research and development activities. It believes the amount to be ample in view of the additional funds which have been added to key appropriations involved.

The committee has also taken action in regard to a number of language provisions in the bill.

The committee is pointedly concerned with expenditures by all three services in rocket and missile development. The committee heard convincing testimony that duplicate testing facilities have been built in different parts of the country at great cost to the taxpayers. Language was placed in the bill to stop this careless waste of money. The committee has during the years of my chairmanship taken the position that we must have the strongest defense possible, but if we are aware of it we will not allow the wasting of one penny.

MEDICARE PROGRAM

The House introduced a provision in the bill limiting dependents' medical care in civilian hospitals to $60 million annually. The Senate committee concurs in that recommendation. The committee desires our service personnel and their dependents to have the best medical care possible. It has continually supported funds to provide this. But it does not believe that the service personnel and the taxpayers of the United States wish the Government to pay for the use by dependents of private facilities when empty military hospital beds are available and when service doctors and surgeons stand idly by.

OTHER CHANGES

The committee has also included provisions increasing the maximum per diem for consultants from $50 to $60 a day; has placed a limit on public information and public relations funds; has included a departmental request precluding the use of funds for the payment of price differentials for the purpose of relieving economic dislocations; and has adjusted upward the cost limitation on legislative liaison activities.

The committee has provided language in the bill under section 635 to insure that the Military Air Transport Service spends $84 million with commercial air carriers; in addition, $21 million was set aside for air carriers that qualify as small business. In the past the wishes of the Congress have been set forth in report language directing the Air Force to take certain actions regarding the operations of MATS. To date, these directions have been completely disregarded or only partially followed. Thus, the committee has recommended a section of law in this bill for the direction of the Air Force. A civilian air reserve fleet is vital to our peacetime and wartime airlift. This airlift cannot be obtained unless part of the MATS airlift is allocated to civilian carriers. In every international emergency, the Government has called upon the civilian air carriers for lift services. Thus, we feel strongly that this section is just and equitable, both to the Air Force and to the air carriers both large and small.

WORK OF THE COMMITTEE MEMBERS

Before concluding, I wish to express my appreciation to all of the members of the subcommittee who have worked with me on this bill. We began hearings on June 6. We did not conclude them until July 16. Throughout that period the subcommittee members were faithful in their attendance and diligent in their inquiry into the pending matters. The 1,368 pages of testimony provide ample proof of their arduous labors. We worked together at all times, regardless of differences of opinion. I wish to thank these members at this time. I know the demands on their time: the important meetings of other committees, their office commitments, the need for their presence on the floor of the Senate. I appreciate the sacrifices they have made and the assistance they have provided in attending the hearings and in reporting what I am sure will be regarded as the strongest peacetime measure ever presented to this body.

Mr. President, I want to commend to the Senate the fine work of the professional staff of the Defense Department Subcommittee. They worked long and diligently in the preparation of memorandums, reports, and statistical data. Mr. Hewitt, the clerk of the subcommittee, and his assistants, Mr. Edwards, Mr. Pujol, and Mr. Rexroad, deserve the highest praise of this body for their outstanding work on this bill.

It is the view of the committee and its chairman that the strongest possible defense posture has been provided in this bill for the protection of the United States.

That is what we had in mind; national security and national defense, and, if necessary, offense. Extensive hearings were held for the Department of Defense and the three military services. We carefully reviewed in committee the programs presented by the three services. We heard patiently and carefully in committee the amendments offered by individual Senators and the arguments for specific programs. After all these considerations, the committee made its decisions.

Mr. President, the 18 members of the Department of Defense Subcommittee and the full Senate Appropriations Committee of 26 members represent scores of years of appropriating experience in allocating money to the military services for the defense of our country. For a further explanation I will add that the Appropriations Committee includes the distinguished chairman of the Armed Services Committee and 8 of its 15 members.

In addition, most of the members of the Appropriations Committee have served in the Armed Forces of this country. Considering all factors, the chairman is of the opinion that the bill provides the most protection possible within our technical capabilities.

We probably would have provided more—and we probably need more—but it would have been a waste of money, because we do not have either the personnel as a whole or the technical personnel to carry on programs more than are contained in the bill.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc; that the bill as thus amended be considered as the original text for the purpose of further amendment; and that any point of order against the committee amendments not be waived.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

The first amendment of the Committee on Appropriations was, under the heading "Title II—Interservice Activities—Emergency Fund," on page 4, line 21, after the word "exceed", to strike out "$100,000,000" and insert "$200,000,000", and on page 5, line 3, after the word "designate", to insert a colon and *"Provided,* That any appropriations transferred shall not exceed 10 percent of the appropriation from which transferred."

The next amendment was, under the subhead "Retired Pay", on page 5, line 12, after the numerals "1953", to strike out "$600,000,000" and insert "$640,000,000."

The next amendment was, under the heading "Title III—Department of the Army—Military Personnel", on page 6, line 19, after the word "circumstances", to strike out "$2,946,400,000" and insert "$3,225,961,000", and in line 20, after the word "addition", to strike out "$425,000,000" and insert "$325,000,000."

The next amendment was, under the subhead "Operation and Maintenance", on page 9, at the beginning of line 5, to strike out "$3,078,208,000" and insert "$3,104,508,000: *Provided,* That during the fiscal year 1959 the maintenance, operation, and availability of the Army-Navy Hospital at Hot Springs National Park, Ark., to meet requirements of the military and naval forces shall be continued."

The next amendment was, under the subhead "Reserve Personnel", on page 9, line 19, after the word "day", to strike out "$202,499,000" and insert "$222,759,000."

The next amendment was, under the subhead "Army National Guard", on page 10, line 21, after the word "aircraft", to strike out "$325,419,000" and insert "$342,093,000", and, on page 11, line 2, after the word "Code", to insert a colon and *"Provided further,* That the Army National Guard shall be maintained at not less than four hundred thousand strength during fiscal year 1959."

The next amendment was, under the subhead "Procurement of Equipment and Missiles", on page 11, line 16, after the word "exceed", to strike out "twenty-eight" and insert "forty", and, at the beginning of line 24, to strike out "$1,659,600,000" and insert "$1,674,349,000."

The next amendment was, under the heading "Title IV—Department of the Navy—Military Personnel, Navy", on page 13, line 13, after the word "cadets", to strike out "$2,263,563,000" and insert "$2,385,720,000."

The next amendment was, under the subhead "Reserve Personnel, Navy", on page 13, line 24, after the words "United States Code", to strike out "$84,735,000" and insert "$90,098,000."

The next amendment was, under the subhead "Navy Personnel, General Expenses", on page 14, line 17, after the word "salaries", to strike out "$85,000,000" and insert "$86,305,000."

The next amendment was, under the subhead "Military Personnel, Marine Corps", on page 15, line 1, after the word "training", to strike out "$604,056,000" and insert "$635,692,000."

The next amendment was, under the subhead "Reserve Personnel, Marine Corps", on page 15, line 9, after the word "duty", to strike out "$23,000,000" and insert "$23,760,000."

The next amendment was, under the subhead "Marine Corps Troops and Facilities", on page 16, line 6, after the word "salaries", to strike out "$173,127,000" and insert $173,117,000."

The next amendment was, under the subhead "Aircraft and Related Procurement", on page 16, line 20, after the word "appropriation", to strike out "$1,947,095,000" and insert "$2,080,120,000".

The next amendment was, under the subhead "Aircraft and Facilities", on page 17, line 5, after the word "salaries", to strike out "$836,508,000" and insert "$846,308,000", and, in line 6, after the word "That", to strike out "$810,000" and insert "945,000."

The next amendment was, under the subhead "Shipbuilding and Conversion", on page 18, line 2, after the word "appropriation", to strike out "$2,016,400,000" and insert "2,069,400,000."

The next amendment was, under the subhead "Ships and Facilities", on page 18, at the beginning of line 15, to strike out "$773,710,000" and insert "$785,436,000", and, in the same line, after the word "which", to strike out "$16,430,000" and insert "$16,885,000."

The next amendment was, under the subhead "Procurement of Ordnance and Ammunition", on page 19, line 9, after the word "plants", to strike out "$597,535,000" and insert "$607,535,000."

The next amendment was, under the subhead "Medical Care", on page 20, line 5, after the word "salaries", to strike out "$86,253,000" and insert "$86,144,000."

The next amendment was, under the subhead "Civil Engineering," on page 20, line 16, to strike out "$125,554,000" and insert "$126,554,000."

The next amendment was, under the subhead "Servicewide Supply and Finance", on page 21, line 10, to strike out "$309,637,000" and insert "$311,081,000."

The next amendment was, under the subhead "Servicewide Operations", on page 21, line 20, after the word "exceed", to strike out "$11,152,000" and insert "$11,961,000", and, on page 22, line 1, after the word "salaries", to strike out "$118,214,000" and insert "$118,985,000."

The next amendment was, under the heading "Title V—Department of the Air Force—Aircraft, Missiles and Related Procurement", on page 22, line 23, after the word "things", to strike out "$6,308,400,000" and insert "$6,878,850,000."

The next amendment was, under the subhead "Procurement Other Than Aircraft and Missiles", on page 23, line 8, after the word "and", to strike out "fifteen" and insert "fifty", and in line 9, after the word "only", to strike out "$2,195,700,000" and insert "$2,231,739,000."

The next amendment was, under the subhead "Research and Development", on page 23, line 20, after the word "expended", to insert a colon and "*Provided*, That no part of this appropriation shall be used for construction, maintenance, or rental of missile testing facilities until the fullest use is made of testing facilities and equipment at Air Force Missile Development Center, Holloman Air Force Base, N. Mex., and such other installations where missile or rocket research and testing is now being carried out."

The next amendment was, under the subhead "Operation and Maintenance", on page 25, line 25, after the word "Government", to strike out "$4,049,875,000" and insert "$4,090,875,000."

The next amendment was, under the subhead "Military Personnel", on page 27, line 12, after the word "enlistment", to strike out "$3,732,200,000" and insert "$3,923,073,000."

The next amendment was, under the subhead "Reserve Personnel", on page 27, line 21, to strike out "$50,500,000" and insert "$53,746,000."

The next amendment was, under the subhead "Air National Guard", on page 28, line 25, after the word "Defense", to strike out "$238,100,000" and insert "$240,335,000."

The next amendment was, under the heading "Title VI—General Provisions", on page 29, line 14, after the word "of", to strike out "$50" and insert "$60."

The next amendment was, on page 36, after line 8, to strike out:

"SEC. 612. During the current fiscal year, the President may exempt appropriations, funds, and contract authorizations, available for military functions under the Department of Defense, from the provisions of subsection (c) of section 3679 of the Revised Statutes, as amended, whenever he deems such action to be necessary in the interest of national defense."

And, in lieu thereof, to insert:

"SEC. 612. Section 3679 (c) of the Revised Statutes, as amended (31 U. S. C. 665 (c) (2)) is hereby amended by adding at the end thereof a new sentence as follows: 'Whenever any such reserve is established, or the amount thereof increased or decreased, the officer designated in subsection (d) of this section to make apportionments or reapportionments of the appropriation from which the reserve is established shall immediately notify the Committees on Appropriations of the Congress in writing of the purpose of the establishment of the reserve, or of the increase or decrease in the amount thereof, as the case may be, and the effect of such establishment, increase, or decrease upon the purposes for which the appropriation was made.' *Provided*, That during the current fiscal year, the President may exempt appropriations, funds, and contract authorizations, available for military functions under the Department of Defense, from the provisions of subsection (c) of section 3679 of the Revised Statutes, as amended, whenever he deems such action to be necessary in the interest of national defense."

The next amendment was, on page 41, line 6, after the word "exceed", to strike out "$3,000,000" and insert "$2,510,000."

The next amendment was, on page 44, line 2, after the word "possessions", to insert a colon and "*Provided further*, That no funds herein appropriated shall be used for the payment of a price differential on contracts hereafter made for the purpose of relieving economic dislocations."

The next amendment was, on page 45, line 18, after the word "Board", to strike out the word "surplus", and, in the same line, after the word "ammunition", to insert "from stock or which has been procured for the purpose."

The next amendment was, on page 46, line 4, after the word "activities", to insert "of the Department of the Army, the Department of the Navy, the Department of the Air Force, and the Office of the Secretary of Defense", and, at the beginning of line 7, to strike out "$2,010,000" and insert "$2,680,000 of which not more than $100,000 shall be utilized for legislative liaison activities for the Office of the Secretary of Defense."

The next amendment was, on page 46, after line 20, to insert a new section, as follows:

"SEC. 635. Of the funds made available by this act for the services of the Military Air Transport Service, $84,000,000 shall be available only for procurement of commercial air transportation service; and that $21,000,000 of the $84,000,000 shall be available to be expended only with United States civil air carriers which qualify as small-business enterprises under present standards and who are in existence at the time of the passage of this act."

The next amendment was, on page 47, line 4, to change the section number from "635" to "636."

Mr. HAYDEN. Mr. President, I offer an amendment as a substitute for the language of a committee amendment, namely, to strike out section 612, beginning at line 16 on page 36 of the bill, and to insert in lieu thereof a new section 612.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On line 16, page 36, it is proposed to strike out section 612 and to substitute in lieu thereof a new section 612, as follows:

SEC. 612. Section 3679 (c) of the Revised Statutes, as amended (31 U. S. C. 665 (c) (2)) is hereby amended by adding at the end thereof a new sentence as follows: "The officer designated in subsection (d) of this section to make apportionments or reapportionments shall report to the Congress in writing, following the close of each calendar quarter, the amount of each reserve in effect at the end of such quarter and the purpose for which each such reserve was established": *Provided*, That during the current fiscal year, the President may exempt appropriations, funds, and contract authorizations, available for military functions under the Department of Defense, from the provisions of subsection (c) of section 3679 of the Revised Statutes, as amended, whenever he deems such action to be necessary in the interest of national defense.

Mr. HAYDEN. Mr. President, the proviso is a mere repetition of what the House has passed. The change I am suggesting would provide that, instead of requiring the Bureau of the Budget immediately to notify the Committees on Appropriations, the Bureau of the Budget shall do so following the close of each calendar quarter.

The other change is the deletion of the requirement for a report as to the effect of such impounding, or establishment of the reserve. This information will be obtained by the committees requesting the information, rather than asking that it be placed in each report. The Bureau of the Budget pointed out that such a report would cause a great deal of clerical work.

I think the amendment is an improvement in the language and ought to be agreed to.

Mr. CHAVEZ. Mr. President, I am happy to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arizona [Mr. HAYDEN].

The amendment was agreed to.

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

Mr. CHAVEZ. Mr. President, since the bill was reported the Department has requested a minor change on page 55. I therefore offer the amendment which I send to the desk and ask to have stated. It does not change the money item, but we are informed that it will aid in administration.

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

The LEGISLATIVE CLERK. On page 35, line 19, after the word "year", it is proposed to strike out "for expenses of transportation, demilitarization, and other preparation for sale or salvage of", and insert in lieu thereof the following: "for reimbursement to appropriations for operation and maintenance for expenses of disposal of."

Mr. SALTONSTALL. Mr. President, first let me say that the chairman of our subcommittee, the Senator from New Mexico, who has just spoken, has worked extremely hard and conscientiously on the bill. With Mr. Hewitt and his other assistants, he has been in constant attendance at many hearings. I commend him for his work and for the intelligent effort he has put into the bill.

I point out that the Senate Appropriations Committee recommended $1.245 billion more than the President's revised budget.

This is a considerable sum, especially when we remember it is added to a budget of $38 billion.

The Senate committee provided funds not only for hardware, such as aircraft and missiles, but also for military personnel and for operations and maintenance. Current combat readiness, as well as future preparedness, was the deep concern of the committee.

Events occurring while the subcommittee considered this huge defense appropriations bill only served to emphasize once more that the United States must have diversified offensive forces and diversified defensive forces. These we have attempted to provide—going beyond the President's requests in some cases.

Mr. President, in my judgment, it is worthwhile to review the increases of the Appropriations Committee over the revised budget. In this way, we can better judge what the committee action comprises.

I ask unanimous consent to have printed in the Record at this point as a part of my remarks a tabulation showing the Senate Appropriations Committee figures as compared with the revised budget, and another tabulation showing the Senate Appropriations Committee action compared with the House action. I have placed these two tabulations on the desks of Senators. I hope this will help them to understand what the Senate committee has done.

There being no objection, the tabulations were ordered to be printed in the Record, as follows:

Senate Appropriations Committee versus revised budget, H. R. 12738, Defense Department, fiscal year 1959

Senate committee increases versus revised budget	$1,513,910,000
Senate committee decreases versus revised budget	−268,069,000
Total Senate committee increases	1,245,841,000
Senate committee total transfers from revolving funds	485,000,000
Revised budget total transfers from revolving funds	−325,000,000
Senate committee increase	160,000,000
Emergency fund transfer authority:	
Senate committee total	200,000,000
Revised budget	500,000,000
Senate committee decrease	−300,000,000

Senate Appropriations Committee versus revised budget, H. R. 12738, Defense Department, fiscal year 1959—Continued

NEW FUND INCREASES ($1,513,910,000)

Emergency fund		$65,000,000
Military personnel strength:		
Army personnel	99,000,000	
Army Reserve	30,499,000	
Army National Guard	51,419,000	
Marine Corps	45,200,000	
		226,118,000
Army surveys and maps: Army operation and maintenance	5,000,000	
Army National Guard technicians	4,300,000	
Army Reserve personnel: Drill pay costs and 6 months trainees	10,760,000	
Army modernization: Army procurement of equipment and missiles	37,000,000	
Regulus submarine acceleration: Navy shipbuilding and conversion	11,000,000	
4 Polaris submarines:		
Navy shipbuilding and conversion	492,600,000	
Navy procurement ordnance and ammunition	43,700,000	
Navy research and development	71,200,000	
Navy servicewide operations	1,543,000	
Total		609,043,000
Completion of 2 destroyer escorts: Navy shipbuilding and conversion		13,000,000
Minuteman ICBM (solid propellent):		
Air Force aircraft, missiles, and related procurement	75,000,000	
Air Force research and development	15,000,000	
Total		90,000,000
Hound Dog B–52 missile: Air Force aircraft, missiles, and related procurement		48,000,000
13 B–52's:		
Air Force aircraft, missiles, and related procurement	100,900,000	
Air Force procurement other than aircraft	7,800,000	
Total		108,700,000
30 KC–135 jet tankers:		
Air Force aircraft, missiles, and related procurement	103,350,000	
Air Force procurement other than aircraft	7,839,000	
Total		111,189,000
Troop carrier aircraft:		
Air Force aircraft, missiles and related procurement	136,100,000	
Air Force procurement other than aircraft	3,900,000	
Total		140,000,000
30 F–27 jet transports: Air Force aircraft, missiles, and related procurement		18,300,000
VORTAC: Air Force procurement other than aircraft (for share of airways navigation system)		16,500,000

Senate Appropriations Committee versus revised budget, H. R. 12738, Defense Department, fiscal year 1959—Continued

NEW FUND DECREASES ($268,069,000)

Salaries and expenses office, Secretary of Defense	$300,000
Salaries and expenses Office of Public Affairs	50,000
Claims	2,100,000
Army military personnel (plus corresponding increase in transfer from revolving fund)	100,000,000
Permanent change of station travel:	
Army military personnel	3,800,000
Navy military personnel	3,250,000
Marine Corps personnel	1,200,000
Air Force personnel	4,800,000
Total	13,050,000
Reduction temporary duty travel	2,900,000
Dependents medical care:	
Army operation and maintenance	2,692,000
Navy medical care	3,454,000
Air Force operation and maintenance	4,100,000
Total	10,246,000
Reduction anticipating deutschemark support:	
Army operation and maintenance	10,100,000
Air Force operation and maintenance	2,125,000
Total	12,225,000
Aircraft spares:	
Army procurement of equipment and missiles	751,000
Navy Aircraft and related procurement	7,175,000
Air Force aircraft, missiles, and related procurement	10,000,000
Total	17,926,000
Cuts to be replaced by transfer from revolving fund:	
Navy military personnel	35,000,000
Marine Corps personnel	25,000,000
Total	60,000,000
Marine Corps Procurement (offset by increased recovery of prior year funds by termination of contracts)	5,000,000
Navy administrative-type aircraft: Navy aircraft and related procurement	2,000,000
Nuclear aircraft carrier long-lead time items: Navy shipbuilding and conversion	35,000,000
Reserve fleet modernization: Navy ships and facilities	5,000,000
Navy servicewide supply and finance: Amount of House cut not restored	1,500,000
Navy servicewide operations: Amount of House cut not restored	772,000

Senate Appropriations Committee versus House action, H. R. 12738, Defense Department, fiscal year 1959

SUMMARY

Senate committee increases in new funds	$1,659,927,000
Senate committee decreases in new funds	−36,677,000
Net Senate committee increase	1,623,250,000
Senate committee total transfers from revolving funds	485,000,000
Total House transfers from revolving funds	585,000,000
Senate committee decrease (decreased Army stock fund by $100,000,000)	−100,000,000

NEW FUND INCREASES ($1,659,927,000)

Military pay raise:	
Retired pay	$40,000,000
Army personnel	179,561,000
Army Reserve personnel	9,500,000
Army National Guard	12,374,000
Navy personnel	122,152,000
Navy Reserve personnel	5,363,000
Marine Corps personnel	31,636,000
Marine Corps Reserves	760,000
Air Force personnel	190,873,000
Air Force Reserve	3,246,000
Air National Guard	2,235,000
Total military pay raise	597,700,000
Army military personnel (plus corresponding decrease in transfer from revolving fund)	100,000,000
Restoration of general economy cuts made by House:	
Army operation and maintenance	30,000,000
Navy personnel, general expenses	1,305,000
Navy civil engineering	1,000,000
Navy servicewide supply and finance (one-half of cut)	1,500,000
Navy service operations (one-half of cut)	771,000
Air Force operation and maintenance	41,000,000
Total	75,576,000
Army Reserve: Drill pay costs and 6 months' trainees	10,760,000
Army National Guard: To carry on technicians' program at same rate as in 1958	4,300,000
Aircraft spares—partial restoration of House cuts:	
Army procurement of equipment and missiles	14,274,000
Navy aircraft and related procurement	136,325,000
Air Force aircraft and related procurement	190,000,000
Total	340,599,000
National rifle practice: Army procurement of equipment and missiles (for match-type ammunition)	475,000
Restoration for flight operations and aircraft overhaul; Navy aircraft and facilities	10,000,000

Senate Appropriations Committee versus House action, H. R. 12738, Defense Department, fiscal year 1959—Continued

NEW FUND INCREASES—continued

Amphibious assault ship and amphibious transport, dock: Navy shipbuilding and conversion	$69,000,000
Completion of 2 destroyer escorts: Navy shipbuilding and conversion	13,000,000
Restoration for cost increases: Navy ships and facilities	5,028,000
Partial restoration for Reserve fleet modernization: Navy ships and facilities	7,000,000
Restoration of cut anticipating MAP reimbursement: Navy procurement ordnance and ammunition	10,000,000
10 jet transports for training navigators, etc.: Air Force aircraft, missiles and related procurement	21,800,000
30 F–27 jet transports: Air Force aircraft, missiles and related procurement	18,300,000
13 B–52's (to fill out 12th wing):	
Air Force aircraft, missiles and related procurement	100,900,000
Air Force procurement other than aircraft	7,800,000
Total	108,700,000
30 KC–135 jet tankers:	
Air Force aircraft, missiles and related procurement	103,350,000
Air Force procurement other than aircraft	7,839,000
Total	111,189,000
Troop carriers—Airlift:	
Air Force aircraft and related procurement	136,100,000
Air Force procurement other than aircraft	3,900,000
Total	140,000,000
VORTAC: Air Force procurement other than aircraft—to provide for Air Force share of airways navigation system	16,500,000

(Emergency fund transfer authority: Increased by $100 million over House for a total of $200 million.)

NEW FUND DECREASES ($36,677,000)

Polaris submarine adjustment: Navy shipbuilding and conversion	−$29,000,000
Savings from pay raise:	
Army operation and Maintenance	−3,700,000
Marine Corps troops and facilities	−10,000
Navy aircraft and related procurement	−3,300,000
Navy aircraft and facilities	−200,000
Navy ships and facilities	−302,000
Navy medical care	−109,000
Navy servicewide supply	−56,000
Total	−7,677,000

Mr. SALTONSTALL. Mr. President, it is apparent that the Appropriations Committee has been neither niggardly nor narrow. The additional funds provided are substantial, and they cover wide scope and purpose.

The increases of the committee represent achievable programs within the fiscal time period under consideration.

There were additional spending proposals placed before the subcommittee and the full committee. We could easily have voted for another billion dollars for military functions, if we had adopted all the proposals.

But the question persisted: Could those funds be used effectively by next June 30?

Or would they have been an invitation to waste?

Would another billion dollars have bought equipment which would lie idle for want of trained personnel and bases and supporting equipment?

Do we need to tie up more funds at this time?

Or would it be wiser to move ahead with the vast sums already available and, in the meantime over the next half year, review our defense programs to see where we should profitably move to strengthen them.

After all, the Congress will be back in session in 5 months, at which time supplemental funds could be requested if needed by the Defense Department.

There is another very important consideration. In addition to funds approved for the various military programs, the Senate committee concurred in the House increase of $65 million for the emergency fund of the Secretary of Defense. This would make a total of $150 million in new funds available to apply to research and development projects or to procurement and production where rapid technological progress warrants.

This is the first time the emergency fund has been available to go into procurement and production. Of course, the purpose of this change is obvious. It is to provide a kitty out of which to speed new weapons to production for operational use as soon as technology permits.

Moreover, the committee gave the Secretary of Defense authority to transfer $200 million to projects needing more funds to avoid delay in our urgent programs.

In this way, the committee granted both funds and flexibility to the Secretary of Defense. We enable him to exploit scientific breakthroughs or other developments that will hasten the day when we have more effective weapons in our arsenal.

Mr. President, this has been a review of the dollars-and-cents action of the Appropriations Committee. Translated into programs, this is what the dollars and cents added by the committee to the revised budget are intended to buy:

A 900,000-man Army through fiscal year 1959 instead of dropping to 870,000 by end fiscal year 1959.

A buildup of Army Reserves to 300,000 by end fiscal year 1959 instead of a 270,000-man begin-and-end strength.

An Army National Guard maintained at 400,000 men rather than dropping to 360,000 by end fiscal year 1959.

A Marine Corps buildup to 200,000 men instead of dropping to 175,000 as provided in the budget.

Four more Polaris submarines, and the missiles to match, out of fiscal year

1959 funds—for a total of six such submarines in the pending bill.

Acceleration of three *Regulus*-firing nuclear submarines.

Thirteen B–52 heavy bombers, which, when added to the 39 B–52's in the President's fiscal year 1959 revised budget, will make a full-fledged heavy bomber wing of 45 aircraft and 7 spares. All of these will be the improved model B–52G.

Additional Hounddog air-to-surface missiles for the B–52 bombers, which will greatly enhance our striking capability.

Thirty more KC–135 jet tankers, which, with the 26 provided in the President's fiscal year 1959 revised budget, will provide for all the B–52's funded on a 2-tanker to 3-bomber ratio. These will also start the buildup to a tanker force to service the B–58 supersonic bomber. Thirty B–58's were funded out of fiscal 1958 and prior-year funds, plus 47 in the fiscal year 1959 budget, for a total of 77.

Troop carrier aircraft to beef up our strategic airlift capability. The exact number of planes to be procured with the total of $140 million cannot be stated now because the committee left to the Air Force the decision as to which airplane to buy, and the costs of these planes vary.

Acceleration of the Minuteman solid propellant ICBM—which has many advantages over our first ICBM's requiring liquid fuels.

Thirty jet transport aircraft for training a number of navigators at one time in high-speed planes.

Thirty F–27 jet transport aircraft to replace obsolescent aircraft still in use.

Completion of two destroyer escort ships which the Navy was about to abandon for lack of funds.

One amphibious assault ship and one amphibious transport, dock, urgently needed by the Marine Corps.

Faster modernization of the Army under its new pentomic organization.

A speedup in the Army map and survey program.

Mr. President, this is an impressive shopping list over and above the large shopping list in the President's revised budget.

With the funds and the flexibility provided by the Senate committee bill, our Nation's defense will be greatly strengthened. I urge the Senate to sustain the committee.

I now yield to the Senator from New Hampshire [Mr. BRIDGES], the distinguished senior minority member of our committee, who has a very thorough understanding of the program.

Mr. BRIDGES. Mr. President, I thank the Senator from Massachusetts. I wished to interrupt him for a moment, first to compliment the distinguished chairman of the subcommittee [Mr. CHAVEZ] also the distinguished Senator from Massachusetts [Mr. SALTONSTALL], the ranking member of the Subcommittee on Armed Services, and all other Senators who participated. I assign a little credit to myself, because I, too, did quite a little work on the bill.

I think it is an excellent bill. Not everything was put into it that everyone wanted, but it seemed to be a reasonable measure upon which reasonable men could agree.

The bill is not exactly what I would wish. In some respects it provides too much, and in others not enough, but it represents a common ground on which the committee could agree.

With the bill as reported as a basis, and going forward and passing it and then meeting in conference, I believe the conferees certainly will have a good bill to work with and will be able to justify the position the Senate has taken. I hope the bill as reported by the committee will be passed.

Mr. SALTONSTALL. I thank the Senator.

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

Mr. SALTONSTALL. I yield.

Mr. CHAVEZ. It is true, is it not, that suggestions were made before the committee to increase many items? However, under all the circumstances, and in view of the testimony presented to the committee, do not the Senator from Massachusetts and the Senator from New Hampshire agree that we provided a sound national-defense funding measure?

Mr. SALTONSTALL. I will say to the distinguished chairman of the subcommittee that I believe we have provided what the President's budget recommended; namely, the equipment and the material with which to furnish our Armed Forces with what is necessary, and to procure additional personnel, in time of an emergency.

Mr. CHAVEZ. Does not the Senator also agree with me that even if we had added another $2 billion, it would be hard to say how the Armed Forces could use that extra amount in the interest of national defense?

Mr. SALTONSTALL. The answer is that I believe it is very difficult to see how the extra amount could be used.

Mr. BRIDGES. I should like to answer the part of the question the Senator addressed to me. I believe that, in the light of what we can see today, we have reported a good bill for the adequate defense of our country.

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

Mr. SALTONSTALL. I yield.

Mr. POTTER. I should like to join my colleagues in commending the distinguished chairman of the subcommittee, the Senator from New Mexico [Mr. CHAVEZ] and the ranking minority member, the Senator from Massachusetts [Mr. SALTONSTALL] for their leadership in bringing before the Senate such a comprehensive and well thought out bill as the one now pending. An excellent job was done.

I should like to ask the distinguished Senator a question with respect to page 23 of the report, so that there will be no misunderstanding as to the language in the report. I refer to this statement in the report:

> The committee recommends that the Army proceed on an accelerated program of full-scale tests of a whole family of platform vehicles.
>
> The committee was advised by Army witnesses that the present inventory position of the jeep (M38A1) is about 35 percent below the Army peacetime jeep requirement. The committee is concerned that the Army has permitted this serious deficiency to exist. In view of recent critical military developments, we believe the Army should immediately fill this deficiency from its existing mobilization sources.

I am sure the committee does not wish to convey the thought—and the reason I am asking these questions is to build a legislative history with the Senator from Massachusetts—that our jeep requirements should go entirely into the platform type vehicle. I am not sure whether that type vehicle is ready for production at the present time. It may be. However, in view of that language in the report it is well that we make some legislative history, particularly when General Brown in his testimony before the committee had this to say on page 1113 of the hearings:

> The M–151 is now ready for production and issue to the using forces. It is as perfect as any man-made item is perfect at a particular point in time. After production is initiated and wider troop use is experienced, the vehicle will continue to be improved and become more perfect.

I cite this testimony to the distinguished Senator from Massachusetts so that anyone reading the report will not be influenced by the language of the report to conclude that Congress is telling the Department of Defense that it must buy a certain type vehicle.

Mr. SALTONSTALL. Absolutely not. It is my understanding that while they are going forward with their research on this new type vehicle, they will continue to buy and maintain the necessary number of jeeps.

Mr. POTTER. It is my understanding that the jeep procurement is below standard.

Mr. SALTONSTALL. That is correct.

Mr. CHAVEZ. That is true.

Mr. POTTER. The committee was concerned about it, and rightly so.

Mr. SALTONSTALL. That is correct.

Mr. CHAVEZ. It was not the intention to keep any other producer from providing vehicles.

Mr. POTTER. I appreciate the statement of the Senator from New Mexico and the statement of the Senator from Massachusetts.

Mr. SALTONSTALL. I call the attention of the Senator from Michigan to page 1103 of the testimony, near the bottom of the page, where Colonel Hemion is quoted as saying that the M–151 is not a direct replacement for the one-quarter-ton jeep, "which is essentially a personnel carrier type of vehicle."

Mr. POTTER. I thank the Senator.

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

Mr. SALTONSTALL. I yield to the Senator from Idaho.

Mr. DWORSHAK. Is it not somewhat misleading for the report of the committee to state that the net amount added by the Senate is $1,623,000,000 in view of the fact that when the House considered the bill it did not have before it a budget request for $590 million, to take care of the military pay raise?

Mr. SALTONSTALL. That is correct. That came in after the House had con-

sidered the bill, and is a "must" requirement in view of the pay increases.

Mr. DWORSHAK. Then it would be correct to state that the amount added by the Senate is slightly in excess of $1 billion, rather than $1,623,000,000, in view of the fact that the budget request had not been submitted to the House.

Mr. SALTONSTALL. The Senator states my understanding.

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

Mr. SALTONSTALL. I yield.

Mr. COOPER. I should like to call to the Senator's attention a paragraph on page 21 of the report, relating to research and development. I believe the tone of that paragraph indicates that there was doubt in the committee that the Department of Defense was spending enough on basic research. I read the following statement:

Amounts contained in the present bill for research and development total $2,732,985,000. By including test and evaluation programs, this total will increase to about $6.2 billion.

However, only a very small percentage of this total represents funds directly earmarked for basic research which the committee regards as an absolute necessity if we are to maintain a lead in the technological developments which will produce scientific supremacy a decade hence. The committee is concerned lest a narrow interpretation of language in the House report discourage the necessary increase in this activity. Testimony before the committee, notably on pages 425 and 800 of the Senate hearings, supports a need for greatly increased emphasis on basic research. If the history of the past two decades is indicative of the future, in a short span of years our security may well depend on the emphasis and diligence which we today bring to discovering, developing, and applying basic research to those areas which lie beyond our present knowledge.

The committee therefore urges the Department of Defense to assume its rightful responsibility in this field by encouraging a closely knit cooperation in this area between the Department and other agencies of the Government and public and private scientific organizations in order to maintain a program of maximum accomplishment.

From reading that excerpt from the report on research and development, I would say the committee has expressed concern that enough basic research is being carried on.

I may be treading in a field concerning which my knowledge is very limited. I certainly do not have available the facts which were presented to the committee and which the committee considered. I know, too, the great capability of the chairman of the subcommittee, and of the Senator from Massachusetts and the Senator from New Hampshire, and other Members. From a reading of this portion of the report, I gain the impression that in the vital field of basic research, about which we have been hearing ever since the first sputnik went up, we are far behind, and that the committee still maintains the doubt that we are doing enough in basic research.

Mr. SALTONSTALL. I yield to the chairman of our subcommittee.

Mr. CHAVEZ. I would prefer to have the Senator from Massachusetts answer the question of the Senator from Kentucky.

Mr. SALTONSTALL. I hope the chairman will add to what I say. I refer to page 425 of the record, which shows, at the bottom of the page, some information submitted by Deputy Secretary of Defense Donald Quarles. The information shows that in 1950 the appropriation for basic research was $15 million. Without giving the figures for each year since then, in 1958 the figure had been increased to from $32 million to $40 million.

I think the committee felt that we wanted to stimulate the Department as much as possible in its efforts to promote basic research. The Senator from Kentucky should realize, of course, that these figures, as I understand them, do not include space research, which is entirely additional.

I yield to the Senator from New Mexico.

Mr. CHAVEZ. I shall simply add a word to what the Senator from Massachusetts has said. We have been giving so much attention to specific matters of research that we have not emphasized action on basic research as such. That is what I had in mind.

Mr. SALTONSTALL. That is correct.

Mr. COOPER. That is good. I am glad to have the statements of the two Senators. I think all of us know that for some time after the first sputnik went up—at least, for several weeks or months—everyone was talking about basic research. Many persons said that the United States had fallen behind because we had not emphasized basic research. The reason I raised this question was that in reading the statement in the report I noticed that the committee evidently still believes that enough is not being done in basic research.

Mr. SALTONSTALL. We want to encourage it.

Mr. COOPER. Again, I congratulate the committee.

Mrs. SMITH of Maine. Mr. President, I offer an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment of the Senator from New Mexico [Mr. CHAVEZ] is pending; therefore, the amendment offered by the Senator from Maine will have to await the disposition of the amendment offered by the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, I ask that the question be put on my amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico.

The amendment was agreed to.

The PRESIDING OFFICER. The amendment offered by the Senator from Maine will now be read for the information of the Senate.

The CHIEF CLERK. On page 2, line 15, it is proposed to strike out $450,000 and insert in lieu thereof $385,000.

Mrs. SMITH of Maine. Mr. President, I offer this amendment because when the Subcommittee on Defense Appropriations marked up the bill, I presented an amendment to limit the total appropriations for public affairs, public information, and public relations offices in the Department of Defense and its subsidiary Departments of the Army, the Navy, and the Air Force to $2,510,000, of which no more than $385,000 would go to the Office of the Assistant Secretary of Defense for Public Affairs.

There was not a single vote against this amendment in the subcommittee or in the full committee.

Through a misunderstanding—at least, certainly on my part as the sponsor of the successfully adopted amendment in the subcommittee and the full committee—and by oversight, the amount for the Office of the Assistant Secretary of Defense for Public Affairs was left at the House figure of $450,000, when the clear intent was that it be restricted to $385,000.

I proposed such a restriction in the committee, and I propose it again now, for the very simple reason that, in my opinion, the Department of Defense is spending too much for publicity. It is very hard to justify any expenditures at all on the part of the Department of Defense to publicize itself. It should not be the function of the Department of Defense to engage in a grandiose publicity program for its own self-aggrandizement.

At the very time when the Department of Defense has been severely and widely criticized for withholding of information from Congress and from the public, why is it necessary for the Department to have half a million dollars allotted to the office of Assistant Secretary of Defense for Public Affairs for publicity purposes, and to ask for more than $3 million for it and its subsidiary offices to enable them to engage in publicity and promotional activities on such a grand scale.

In my opinion, Congress will be more than generous to appropriate as much as $2,500,000 for such publicity activity on the part of the Department of Defense.

Mr. CHAVEZ. I understand the purpose of the amendment offered by the distinguished Senator from Maine. I know of the honest mistake which was made in this particular situation. The committee as a whole approved the amendment. I will be glad to take to conference the amendment which the Senator from Maine has just offered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maine [Mrs. SMITH].

The amendment was agreed to.

Mr. CARLSON. Mr. President, I commend the Chairman of the subcommittee, the distinguished Senator from New Mexico [Mr. CHAVEZ], and the distinguished Senator from Massachusetts [Mr. SALTONSTALL] for reporting a bill which I think will give the country security. All of us are given a feeling of security when this type of proposed legislation is reported. I feel that what is provided in the bill will protect the Nation.

The distinguished Senator from Massachusetts will remember that I talked with him during the consideration of the bill, before it was reported, with regard to an increase in the number of B–52 bombers and some additional KC–135 tankers. I heard his statement to the

effect that an increase was provided in the part of the bill dealing with such matters.

Mr. SALTONSTALL. Thirteen additional B-52 bombers are included in the provisions of the bill; 30 KC–135 tankers; plus $140 million for airlift, as to which we have not specified the kind of planes for which that amount is to be used.

Mr. CARLSON. I appreciate the increase. It is not so great an increase as I should have liked to see. But it is an increase. I appreciate it, and I am indebted to the committee for providing it.

Mr. JACKSON. Mr. President, I commend the chairman of the subcommittee, the distinguished senior Senator from New Mexico [Mr. CHAVEZ] and the other members of the subcommittee for the improvements they have made in the defense budget.

UNDERSEA WARFARE

The Department of Defense appropriation bill before us is a complicated and detailed piece of legislation, and we cannot hope to cover in detail more than a few aspects of the bill. However, I want to take a moment or two to emphasize the increasing importance of one facet of our defense program—namely, undersea warfare.

A major problem confronting this country is the Soviet submarine threat. The great number of Soviet submarines with increasing long-range missile capability poses an ever-increasing danger to the major industrial areas of the United States.

In recognition of this most serious problem, as chairman of the Military Applications Subcommittee of the Joint Committee on Atomic Energy, on March 7 of this year, I requested six distinguished experts to study this matter and to report their findings and conclusions to the subcommittee. This Advisory Panel on Undersea Warfare consisted of the following members:

Dr. Harvey Brooks, dean of engineering and applied physics, Harvard University, and member, Committee on Undersea Warfare of the National Research Council.

Dr. Ivan A. Getting, vice president, engineering and research, Raytheon Manufacturing Corp., and member, Committee on Undersea Warfare of the National Research Council.

Dr. Gaylord P. Harnwell, president, University of Pennsylvania, and member, Committee on Undersea Warfare of the National Research Council.

Mr. Kenneth Mansfield, former Chief of Special Projects, Joint Committee on Atomic Energy, and assistant to the general manager, nuclear division, Combustion Engineering, Inc.

Dr. Oskar Morgenstern, professor of economics, Princeton University.

Dr. Roger Revelle, director, Scripps Institution of Oceanography.

After extensive study the panel, on June 25, 1958, submitted a secret report to the Subcommittee on Military Applications which contains 17 findings and 12 major recommendations.

These findings underscore the inadequacy of the scope of research and development in undersea warfare in the light of the Soviet submarine threat. The findings also indicate that the Navy now directs too little research and development effort toward major improvements in weapons systems.

Among its major recommendations, the panel included the need for at least doubling in fiscal year 1959 the Navy's research and development budget for systems immediately relevant to undersea warfare.

The panel was greatly impressed with the outstanding success to date of the naval nuclear reactor program, under the direction of Rear Adm. H. G. Rickover, and recommended a significant increase in the construction of nuclear attack submarines, as well as the immediate construction of an initial task force of nine Polaris missile-carrying submarines. The bill before us, as Senators know, provides funds which will meet this request for Polaris construction.

The panel also recommended that, for funding purposes, the Polaris system be entirely removed from the Navy's shipbuilding budget, and that the funding for this important strategic-weapons system be determined by the Secretary of Defense and the National Security Council, as part of an overall strategic deterrent budget.

The panel's classified report was called to the attention of the Subcommittee on Defense Appropriations, of the Senate Appropriations Committee. Copies of the classified report were sent to the Secretary of Defense and to the Secretary of the Navy.

I am positive that if the Department of Defense and the Department of the Navy study the findings and adopt the recommendations of this panel of experts, vital improvements will result in the overall defense posture of the United States.

As you know, Mr. President, the bill, as it now is before us, provides substantial funds for the undersea warfare program, including research and development. It does not, however, begin to meet the recommendations made by this distinguished advisory panel. Today, we are voting a minimum budget for undersea warfare. We must face the fact that it is only a start on the kind of program required to meet the Soviet submarine threat.

Mr. CLARK. Mr. President, will the Senator from Washington yield to me?

Mr. JACKSON. I am very happy to yield to the Senator from Pennsylvania.

Mr. CLARK. I should like to commend the distinguished junior Senator from Washington for the brief, but very clear, remarks he has just made on the critical matter of undersea warfare; and I wish to express my own deep concern over the fact that the Department of Defense and the Navy Department are not doing nearly enough in this field to protect the vital interests of the Nation.

The Senator from Washington is one of the best informed men in the entire country on this subject, and, in my opinion, he is certainly one of the best informed Members of the Senate on it.

I note with pleasure the membership of the distinguished panel of experts who were called together in connection with this subject. I was particularly gratified to see included in the list of names of the members of the panel the name of Dr. Gaylord P. Harnwell, president of the University of Pennsylvania, and a member of the Committee on Underseas Warfare, of the National Research Council. He is one of the leading physicists of the United States. Not only is he a distinguished scientist, but he also is a man of great commonsense and intelligence, and he is intensely practical.

Let me inquire whether I correctly understood my colleague to state that the panel—the names of the members of which he read to the Senate—recommended that the amount available for Navy research on underseas warfare should be doubled?

Mr. JACKSON. I do not recall the exact amount recommended, but the panel called for a very substantial increase in the research and development undersea warfare program.

Mr. CLARK. I understand, of course, that certain of this material is classified. But within the limits of what the Senator from Washington is allowed to reveal, is he in a position to tell us how far short of the amount the panel recommended the bill, as it is now before us, provides?

Mr. JACKSON. I point out that the Subcommittee on Defense Appropriations did not have an opportunity to obtain from the Defense Department its views on the findings of the Advisory Panel on Undersea Warfare.

Mr. CLARK. May I inquire why that is so?

Mr. JACKSON. The panel's report was completed on June 25, 1958, and so was submitted only recently to the Department of Defense. Of course, the Department of Defense and the representatives of the Navy Department had had an opportunity to know in general the views of the panel. However, in all fairness, I should point out that they did not have an opportunity to pass on the panel's specific recommendations in connection with the pending budget.

Likewise, the Subcommittee on Defense Appropriations did not have an opportunity to go into the specific recommendations made by the panel of experts.

Mr. President, I have made this statement today in the hope that between now and the time when the budget is submitted in January, the Department of Defense will make it possible for the Navy Department to request the funds needed for this all-important area. Thus, when the new Congress convenes in January, it will have an opportunity to act on the urgent needs in underseas warfare.

In answer to my colleague's basic question about what needs to be done, I should say—without going into information which is classified—that the fundamental problem is a simple one: it arises from the inability to provide an adequate detection system to locate enemy submarines. This is the enormously important scientific challenge our scientists face. We have long-range radar to detect anything in the air, even at a tremendous distance, and including even satellites. But we do not have an underwater

"radar" system which can detect submarines underwater. Once that barrier is broken through, we shall be in a better position to provide for the defense of the Nation against submarine attack. The threat is a very serious one.

Mr. CLARK. Does not the Senator from Washington agree that this matter is of the highest possible priority, and is one regarding which the Defense Department and the Navy Department should have the greatest sense of urgency?

Mr. JACKSON. There is no question of that.

I wish to point out, also, that in the area of offensive underseas warfare, the Navy Department recommended 9 Polaris submarines; and in the bill, as it is now before the Senate, funds are provided that will meet the need for 9 Polaris submarines. That is in accordance with the item approved by the Defense Appropriations Committee, and it makes possible the first underseas ballistic task force in the history of the Nation.

In this connection, I wish to commend the distinguished Senator from New Mexico [Mr. CHAVEZ], the chairman of the subcommittee, for his able grasp of the challenge which faces us in connection with underseas warfare. I also desire to commend him for his assistance in providing funds for the full complement of 9 Polaris submarines which will make possible our first submarine ballistic task force.

Mr. CHAVEZ. Mr. President, I thank the Senator from Washington.

Let me say that I have listened with great interest to the statement the Senator from Washington has been making. I agree completely with him.

However, I feel, and the committee as a whole felt, that, under present circumstances, the bill, as we have reported it to the Senate, is one which we can support and can justify, having in mind full protection—not as much as we would like to have, but at least what we can provide at the moment, under all the circumstances.

Mr. JACKSON. The Senator from New Mexico is correct.

Perhaps the Senator from New Mexico was not on the floor when I stated that the Subcommittee on Defense Appropriations did not have an opportunity to examine and act on the findings of our Advisory Panel on Undersea Warfare, because the report of the panel was submitted only recently.

Mr. CHAVEZ. Yes.

Mr. CLARK. Mr. President, will the Senator from Washington yield further to me, in order that I may make a final observation?

Mr. JACKSON. I yield.

Mr. CLARK. I thank the Senator from Washington for yielding to me.

Let me say that the matter of the Polaris submarine would also seem to me to be one of the greatest possible urgency, and one requiring a very high priority.

It is my understanding that the Polaris submarine, when adequately used, might well, in due course, provide an alternate method of offense—alternate to SAC—and that it is of the greatest importance that we move as promptly as we can in this field, before it is too late, and that we provide all the funds which can sensibly be spent in order to put that show on the road.

I am sure my colleague agrees with me.

Mr. JACKSON. I am entirely in agreement with the Senator from Pennsylvania, Mr. President. The Appropriations Committee has gone to the extent of recommending the appropriation of funds for four additional Polaris submarines, above and beyond the amounts included in the administration budget. Those additional submarines will make possible what the Navy terms a task force—that is nine Polaris submarines. The Navy believes that the Polaris submarine system should be given the highest priority.

There is no doubt that if this system operates successfully—and I am sure it will, as projected by some of the finest experts in the Navy who are working on it—we shall have a system which will constitute a real deterrent. This is evident from the fact that we ourselves have not been able to find the answer to submarines which the enemy might have, and which the enemy could use against our country.

I believe that Polaris submarines in the hands of the United States will have the additional advantage of drawing the enemy's fire away from our cities, away from the United States, and away from our allies. The enemy will be forced to search out the Seven Seas, in order to find this formidable retaliatory striking force.

Mr. CLARK. Mr. President, I should like to join my friend from Washington in his commendation of the distinguished chairman of the full committee for the splendid job he has done. I have had occasion to point out on the floor once or twice before my own feeling of frustration at our inability to push water uphill and the lack of interest on the part of the administration, particularly the White House and the Bureau of the Budget, but I am afraid now to some extent the Department of Defense, and the lack of any sense of urgency in pushing forward to the fullest extent, consistent with our national defense needs, our research programs, our underseas program, and, as the Senator from Missouri will soon tell the Senate, perhaps most important of all, adequate equipping and staffing of our Army.

Mr. SYMINGTON. Mr. President, I should like to join the distinguished Senator from Pennsylvania in congratulating the very able Senator from Washington, my colleague on the Senate Armed Services Committee, in his presentation of the importance of the underseas program. Many persons feel that program to be one of our most important.

I should also like to join in the commendations paid to the distinguished chairman of the Appropriations Subcommittee, not only for his diligence in holding extensive hearings, but also for his kind and gracious attitude toward this junior member of his committee. I think the record which has been made in those hearings is a significant one, and one which should be carefully analyzed by all those who are interested in our national defense.

Now I should like to say a few words about our Army, which, in my opinion, is the forgotten service.

OUR ARMY—THE FORGOTTEN SERVICE

Mr. President, for some years various ad hoc committees, commissions, and boards composed of outstanding citizens, have been designated by the administration and others to examine the relative military strength of the United States as against that of the Communist conspiracy.

Without exception, groups such as those who made the Rockefeller Report, the Gaither Report, the Johns Hopkins studies, and so forth, have recommended that this Nation, in order to survive, must devote far more of its national resources to its defenses.

Today we assign only about 10 percent of our gross national product to that end.

The Russians devote 25 percent.

In this connection, Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article by Joseph Alsop, entitled "The 'Gap'" and published in today's Washington Post.

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

THE "GAP"

(By Joseph Alsop)

At the Pentagon, they shudder when they speak of the "gap," which means the years 1960, 1961, 1962, and 1963. They shudder because in these years, the American Government will flaccidly permit the Kremlin to gain an almost unchallengeable superiority in the nuclear striking power that was once our specialty. The persnickety facts that prove this terrible charge are as follows.

First, and most horrifying, there is the guided missile picture. The Soviets have already completed above 1,000 tests of ballistic missiles with ranges from 500 to 1,400 miles—the ranges needed to neutralize or destroy our overseas bases. They have also tested several intercontinental ballistic missiles, whereas we have yet to test our first fully assembled Atlas.

Even postsputnik, moreover, our missile programs are pitiable. For the years of the gap, they will provide a couple of hundred of intermediate range missiles of doubtful value for emplacement in Europe. They will give us, in this country 40 of the subsonic Snark missile. And they will give us, again in this country, 4 wings of the Titan missile and 9 wings of the Atlas missile.

Atlas and Titan, being true ICBM's, are the missiles that matter. On present projections, we shall have 30 Atlas and Titan missiles operational in 1960; 70 in 1961; and 130 in 1962. There the story will end, except that a few of the Navy's submarine-borne Polaris missiles may be operational by 1962; and at some time, quite probably long after 1963, we shall begin to get the solid-fueled Minuteman missile.

Against this American missile striking power, the Soviets should have between 1,000 and 2,000 of their medium-range missiles to neutralize our overseas bases in the gap years. They should further produce their first 100 intercontinental missiles in 1959, and they should reach a rate of output of 500 per year in 1960. Give them, therefore, 500 ICBM's in place, against our 30, by the end of 1960; 1,000 ICBM's in place, against our 70, by the end of 1961; 1,500

ICBM's in place, against our 130, by the end of 1962; and 2,000 ICBM's against our 130 plus a few Polaris, by the end of 1963.

Second, there is the bomber picture, which is apparently thought to compensate for the sheer horror of the guided missile picture. The United States will complete its B–52 program for the Strategic Air Command in the year 1960. SAC will then have about 500 of these long-range bombers in units, plus some spares. SAC will also have about 1,400 medium-range B–47's, and will be starting the first of its 70 planned B–58's, which are supersonic but still medium range. Jet tankers to give full striking power to the B–52's and B–58's will be available; but no jet tankers are to be provided for the B–47's.

With the existing unsatisfactory KC–97 tankers, the B–47's are heavily dependent on the overseas bases which are now being neutralized. B–47 striking power must therefore be depreciated by at least 60 percent. Thus SAC's realistic striking power in 1961, 1962, and 1963 will be equivalent to 500 B–52's, 70 B–58's, and about 500 B–47's.

There is much controversy about the years 1960 through 1963. The administration has of course chosen the most optimistic estimates, which are almost surely wrong on past experience. But it is admitted that Soviet production of their Bison long-range bomber, comparable to our B–52, reached and long maintained the very high rate of 12 a month. It is further admitted that Bison output, although sharply cut back, is still going on at the rate of about four per month.

Thus it seems reasonable to give the Soviet SAC a basic striking power in the period of the gap amounting to 250 Bisons, plus 100 Bears (their very big, very long-range turboprop bomber), plus 1,000 Badgers (their equivalent of our B–47). Even if this is all, the American margin of bomber striking power will not be enormous. But 6 months ago, it became known that the Soviets had produced the prototype of a six-engined supersonic bomber, which should have the speed of our B–58 with full intercontinental range as well.

Judging by their past behavior, the Soviets should have this bomber in production by 1959, and entering combat units by 1960. And with this bomber added to the Soviet SAC, the Soviets may at least attain parity in manned-bomber striking power, in 1961 or 1962.

Third, the air defense picture further darkens the bomber picture. The Air Defense Command of the United States is presently equipped with a job lot of F–89's, F–94's, F–100's, and F–102's—about 1,900 planes in all. The worst of the job lot will be replaced in the years of the "gap" with the excellent F–106, but the F–106 contract has lately been cut back, so we shall still have a job lot. In addition, our radar warning system will be greatly improved. The SAGE system of combat control will also become operational. We shall further have a rather spotty point defense system based on the Army's Nike missiles. And just at the very end of the "gap," some of the Air Force's Bomarc missiles may come in.

In contrast NATO estimates give the Soviets today an air defense command comprising 10,000 planes, also a job lot but the same sort of job lot we have. Replacement of obsolete Soviet aircraft with their superior Flashlight fighter is proceeding rapidly. Their air warning system has better radars than ours now, and is much denser than ours. And they have now completed a remarkably strong missile-based point defense system of the Soviet Union, and are emplacing antiaircraft missiles in the satellites.

If we are honest about it, then, the Soviet air defense system is at least twice and perhaps 3 or 4 times as strong as ours. That logically cancels out any bomber superiority we may retain—assuming we retain any by the end of the "gap." As the Soviets will then have a projected superiority in missile striking power of somewhere between 5 and 10-to-1, no wonder they shudder at the Pentagon.

Mr. SYMINGTON. Mr. President, it is not appropriate for a Senator who hears classified testimony and briefings to comment on the accuracy or inaccuracy of the shocking statements made by Mr. Alsop in this article. I can say, however, that in the past he has been criticized for some of his writings, and his warnings have been generally unheeded. Yet invariably he has been right and his critics have been wrong.

At this time additional funds could well be used by the Navy, the Marine Corps, and the Air Force.

But it is the current unfortunate status of our small Army to which I now address myself.

The Army of the United States is now spread, in quantity, all around the globe; in such places as Korea, West Germany, and now the Middle East.

By tradition it is a brave Army. The other services have more glamour, and therefore get more attention, but we should never forget that our Army took over 80 percent of all the casualties in the last two wars—World War II and Korea.

These American troops face the largest and most modern peacetime army in the history of the world.

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

Mr. SYMINGTON. I yield to my friend from Washington.

Mr. JACKSON. I commend the able and distinguished Senator from Missouri for his presentation of Our Army—The Forgotten Service. I wish to remind the Senate that back in 1956, when he was serving as chairman of the Airpower Investigation Subcommittee of the Senate Committee on Armed Services, the Senator from Missouri [Mr. SYMINGTON] fought valiantly for airlift and other weapons systems that would help modernize and support the Army. I wish particularly to commend him for his impartial approach in trying to meet the critical problems facing the Army of today. The Senator from Missouri has been in the forefront, not only in seeking to provide airlift, but in giving the Army the bone and muscle it needs in order to fight a modern war, whether it be a general war or a limited war. I congratulate the able and distinguished Senator for his presentation of the problem which the Army faces.

Mr. SYMINGTON. I am grateful for the kind remarks from my distinguished colleague. As he and I both know, the Air Power Subcommittee, of which we were both members, issued a report in January 1957. We refrained from publishing it until after the national elections in the fall of 1956 so as not to have the matter considered a political one. Minority views were filed in opposition to the conclusions of the majority. Fortunately for the country, a year later a report with substantially the same conclusions was unanimously agreed to by the Preparedness Subcommittee chaired by Senator JOHNSON. As the Senator knows, there was sworn testimony before both subcommittees that the Army could not lift and properly support a single division overseas. That in itself is a sad statement incident to the capabilities of the Army. It was ironic and sad that in an effort to illustrate the great mobility and reaction speed of our Armed Forces the Secretary of Defense in open hearing referred to the airlift of a few hundred troops from Fort Campbell, Ky., to Puerto Rico at the time of recent difficulties in Caracas incident to the Vice President's visit there. This was not a fortunate illustration as to our defense ability, one way or the other.

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

Mr. SYMINGTON. I yield to the Senator from New York.

Mr. JAVITS. I personally appreciate the statement the Senator from Missouri is making with respect to the Army. I had the privilege of serving in the Army—modestly, and not as a hero—in World War II, and I have been attending with reasonable regularity the morning sessions every Tuesday of the Reserve unit on Capitol Hill. The Senator from Missouri has almost made a speciality of the subject of the armed services. When he directs his attention in such a pointed way to this particular subject, I think he brings to it an enlightened interest and considerable knowledge and experience, and performs a valuable service.

All of us, including myself, who are Army reservists are carried away by the glamour of the Air Force, or the Marine Corps, or the paratroopers, or the amphibious services, or some other specialized service. That is all fine, and it is a part of the spirit of our country. But, when we look at the troubles we have and the fires which have to be quenched, it is really the Army which invariably carries the load, as is natural. The Army is the fundamental organization. It is the staple goods on the shelf. It is what is always used the most and is the most important. I think all of us will benefit from a more balanced view.

The Senator from Missouri is directing our attention to this critically essential element in our national defense. I do not share necessarily the prophecies of doom which we observe even in the columns of the distinguished Mr. Alsop, but I welcome them. I think Mr. Alsop renders us a great service, because in this country unless we have that kind of comment, we are often inclined to be complacent.

So it is, too, with respect to the Army. I think the analysis the Senator from Missouri is making of particular areas in which we really need armed forces—such as Lebanon, Korea, and other similar areas, where, in the final analysis, the Army represents the armed force which takes over after the marines have landed and secured a beachhead, which is the situation in Lebanon, is extremely valuable. Without in the least taking away from the great service, great valor, and outstanding quality of the other services, I think the Senator from Missouri is doing a favor to us and a favor to the country in applying his comments

especially to the Army. I want him to know my feelings.

Mr. SYMINGTON. Mr. President, I am grateful to the distinguished Senator from New York for his kind remarks. I know of the Senator's Army record, and speaks too modestly about it. If more Senators would feel the way the Senator from New York does, our unfortunate and precarious situation could be considerably improved. I again thank the Senator.

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

Mr. SYMINGTON. I am glad to yield to my friend from Idaho.

Mr. DWORSHAK. Did the Senator from Missouri read the article in this morning's Washington Post and Times Herald, under the heading "Italy To Cut 1959 Budget for Defense"?

Credit is given to the New York Herald Tribune News Service and the article reads as follows:

ROME, July 29.—Italy will spend only $950 million on defense in the coming year, according to a report to the Senate today by Vice Premier Antonio Segni.

Italy, a NATO power, will make one of the lowest per capita contributions to defense of any European nation. The Italian per capita share will be $19, compared with an average individual outlay of $45 in Switzerland, $72 in France, $77 in Britain, $111 in Communist Poland, and $121 in the Soviet Union. United States defense spending equals about $170 for each man, woman, and child.

Obviously the United States is not curtailing its expenditures for national defense. Probably we do not get the results we should from the tremendous amounts of money we are expending annually for national preparedness, but surely no one can justifiably contend that we are niggardly and parsimonious in this country, when we spend $170 per capita for national defense.

Mr. SYMINGTON. The Senator from Idaho is bringing up another serious aspect of the defense problem.

We are spending a great deal of money on defense; but I do not think we can retreat into isolationism, nor can we afford to spend less than that amount necessary for our defense. I hope the distinguished Senator agrees.

I do not know what is the per capita income of the average Italian or of the average Spaniard. I know, however, that the per capita income in the United States is higher than it is in any other nation in the world.

Mr. President, as I have said before, I have never seen the advantage of being the richest people in the graveyard. I am perfectly willing to spend whatever is necessary in order to provide an adequate defense for the Free World.

Let me assure my distinguished friend that I do not underrate the significance of the role of the Executive in the administration of our Department of Defense. We have now given that administration a better chance, perhaps, with a new reorganization bill.

The distinguished Senator from Mississippi [Mr. STENNIS] made a very able presentation today, and showed instances where we are spending a great deal of money which it is not necessary to spend, and where we are not spending money when expenditure is necessary.

In the legislative branch we cannot make those decisions. Although we may be wasting money wherever the Senator thinks we may be wasting it—whether in this country, on our bases abroad, or in foreign countries—I hope such possible conditions will not deter us from obtaining what is necessary to give the Army, the Navy, the Marines, and the Air Force an adequate chance to win against possible Communist aggression.

Mr. DWORSHAK. Mr. President, will the Senator yield further?

Mr. SYMINGTON. I am glad to yield.

Mr. DWORSHAK. International turmoil is disturbing. If today we are placing the security of our country in jeopardy because of these developments and because of Communist aggression, then probably, since we are spending in excess of $40 billion on our national defense budget annually, the time has arrived when we ought to demand greater austerity, greater efficiency, less waste, and less extravagance in the administration of our defense program. Every American wants all the national defense we can afford. We must have maximum security to face any eventuality. But we cannot be sure we can defend this country against these sinister forces everywhere unless Americans—particularly those in the Pentagon and those in charge of our defense program—realize that we can no longer be indifferent and complacent. Americans today face a serious challenge. Does the Senator agree with me on that?

Mr. SYMINGTON. Mr. President, I agree with the Senator that we must spend what is necessary and that we cannot afford complacency. I congratulate him for his contribution to this discussion.

Mr. President, if the youth of America as represented in these divisions are ready to fight to protect our freedom, surely we should want them to have modern equipment; and in that way give them a chance of winning against the tremendous numerical odds they already face: odds which we never will be able to equal.

Nevertheless, this Government in effect has refused to give them that chance. Our Army is still using much equipment of the World War II type, which has long since ceased to be modern enough to compete against equipment placed on view by the Communists in Moscow last November.

As example, enraptured with missiles, especially after sputnik, we have now appropriated money for various Army missiles, the Redstone, the Sergeant, the LaCrosse, the Honest John.

But we have consistently refused to give more than token consideration to the procurement of the vitally needed equipment required to locate targets for those missiles; and it is hard to see what use they would be without equipment to that end.

No Army is in proper shape without eyes furnished by modern cavalry.

Nevertheless, one still finds the American Army with light liaison-type airplanes which have but marginal improvement over those used in World War II.

In order to correct this situation, the Army has asked repeatedly, but unsuccessfully, for high-speed drones equipped with radio and television equipment; and also for low-flying, modern observation aircraft, designed to seek out and locate enemy targets.

High-speed drones now available can be launched from any point on the battlefield, can penetrate more than 50 miles into enemy territory, and can record and transmit what they see on the ground, by radio or television, to the control point behind friendly lines.

An adequate number—hundreds of these new drones—would only cost $43 million; less than the price of 5 new bombers, less than the cost of 1 new submarine.

Without such modern cavalry, our Army is blind on today's possible battlefields; in Korea, in Germany, in the Middle East, and therefore obviously unable to use effectively its new firepower.

Also the Army's requirement for new flamethrowers has been overlooked—self-propelled mortars, and for many other short-range combat weapons, requirements that have been repeatedly requested.

As a result, we now demand that our own troops rely on outmoded equipment, with which of necessity they must meet the Communists, who are armed with weapons that have been newly designed and vastly improved since World War II; and which are now in the hands of their divisions.

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

Mr. SYMINGTON. I am glad to yield to the very able Senator from Minnesota.

Mr. HUMPHREY. I wish only to make a brief inquiry. I am very much interested in the observations of the able Senator from Missouri. We are all deeply indebted to him for his leadership in the area of the armed services. I do not pose as an expert. I am merely an attentive listener, and I will be cooperative with the Senator from Missouri.

What does the Senator mean when he says in his speech:

Also the Army's requirement for new flamethrowers has been overlooked—self-propelled mortars, and for many other short-range combat weapons, requirements that have been repeatedly requested.

Requested of whom?

Mr. SYMINGTON. The Senator, as usual, puts his finger on a key feature of the problem. In this atomic age, as of January 1954, we enunciated a policy of massive retaliation. I do not plan to debate its merits or demerits at this time. According to an article in a magazine coming out tomorrow the Secretary of Defense stated that, if we had any war, it would be a big war; that we could not afford to fight a small war.

In other words, the policy of those days, in effect, underwrote the obsolescence of the American Army. Those whom the Army asked for funds needed for the equipment to keep the Army reasonably modern, as against the Soviet menace, were the people who were running the Department of Defense in those

days. That would include the years just prior to Sputnik I.

I believe it is fair to say that the revelation of Soviet progress technologically has helped the Army to decrease somewhat its unfortunate obsolescence.

Mr. HUMPHREY. In recent months?

Mr. SYMINGTON. In recent months.

Mr. HUMPHREY. The Senator is saying that the requests were made by the Army, through channels, to the Department of Defense, and from there to the Bureau of the Budget; and it was at the Department of Defense level, because of the emphasis on the doctrine of massive retaliation and all that meant in terms of modern weaponry to fulfill the massive retaliation missions, that the Army's requests were given lower priority, and sometimes completely denied.

Mr. SYMINGTON. The Senator is correct. I do not think it would be fair to place the responsibility entirely on the Secretary of Defense although he must share the blame with others. This year the Army requested $2,831,000,000 for procurement and modernization. The administration reduced that figure to $1,623,000,000. The big question now is, What, if anything, are we to do with our troops all over the world, with obsolescent and obsolete equipment? If there is a struggle, if there is shooting, we know that we shall be vastly outnumbered, and also that our potential opponents have more modern and better equipment.

Mr. HUMPHREY. Mr. President, will the Senator further yield?

Mr. SYMINGTON. I am always glad to yield to my friend, the distinguished Senator from Minnesota.

Mr. HUMPHREY. I am sure the Senator knows that I have no desire to make any adverse comment relating to the former Secretary of Defense or the present Secretary. I knew the former Secretary only officially, by reason of his visits before the committee. I have met the present Secretary only on a couple of occasions. His position is a very difficult one. So I shall not enter into any discussion of personalities.

As I see it, what the Senator from Missouri is attempting to say—and I shall listen to the remainder of his message with great interest—is that while other branches of the service, since sputnik, have placed great emphasis on rockets and missiles, and the more highly developed scientific aspects of modern weapons, still the backbone of the defense of the United States is the United States Army. At least it is a fundamental part, and a very significant part, of the total overall defense structure.

What the Senator from Missouri is attempting to do—and I hope he will be successful in his effort—is to cite the importance of maintaining this central core of the defense structure up to date, and not only adequate in size but, even more significant, provided with the most modern up-to-date equipment, so that even though occasionally we must sacrifice numbers, we should never sacrifice in quality of equipment or quantity of equipment.

Whenever I see the cuts in manpower, not knowing at all what the requirements are for adequate manpower, I have always felt that if we are to make more commitments in foreign policy, more commitments in military assistance programs, more commitments in military training programs in other parts of the world, if we are to cut down on manpower in the defense structure, surely we must have up-to-date equipment power. I gather that that is what the Senator is emphasizing.

Mr. SYMINGTON. The Senator is correct.

In a great book written last year by Dr. Henry Kissinger there is a chapter entitled "The Strategy of Ambiguity," which I wish every American would read. Only recently Dr. Kissinger again expressed the idea in the press in this fashion: "The President of the United States will have to decide many times whether such a place as Beirut is worth 30 million American lives."

The implication is that the only way we can respond to aggression, based upon our past program, is through massive retaliation. Therefore we are subject to being nibbled to death, because we would lack the ability to resist in a peripheral war. Yet if we must fight any type of war—which God forbid—that is the type of war which is most likely.

I thank the Senator for his remarks on this subject. He has gone into the question of armament and disarmament at least as deeply as any other Member of the Senate. I am sure he agrees with me that the chances of fighting a nuclear war in defense of this country are relatively remote, especially in view of the present world conditions, as compared with the risks of a limited or peripheral war.

The Army needs, and very badly, 108 mechanized flamethrowers, plus 120 self-propelled mortars, at a cost of little more than 1 percent of this year's cost of modern antiaircraft.

Now as to the vital question of communications.

Since World War II, the world has advanced tremendously in the technique of communications; and even since the time of Korea, the Russian Army has now been equipped with modern radios and radars.

The American Army—a small fraction of the size of the Russian Army—and this excludes the hundreds of Chinese divisions—nevertheless is not equipped with the modern transistorized lightweight communication equipment that science has produced.

At the present time our troops are equipped with a type of radio which requires about 3 relay stations per 100 miles; whereas radios requested by the Army have a range of 100 miles, and eliminate the need for relay stations.

The Army is carrying individual combat radios weighing 20 pounds per man. At the same time thousands of teenagers on our farms and in our cities carry radios that weigh about 2 pounds.

The Army has a requirement for many thousand new-type radios, plus ancillary equipment with which to modernize our forces.

The Army has asked for these sets, but has been turned down.

The minimum amount of money necessary to provide, say, 22,000 modern radio sets to the United States Army, to give it a reasonable chance against the tremendous force it might have to face, is about $89 million. Yet, the request was turned down on the premise that the United States could not afford the expenditure.

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

Mr. SYMINGTON. I yield.

Mr. CLARK. Who turned the Army down?

Mr. SYMINGTON. I was about to say the Department of Defense, but I do not wish to make the statement so flatly. However, it was cut out somewhere in the budgetary process after the request was made by the Army and before the budget was submitted to the Congress by the President.

Mr. CLARK. In any event, it was not the Senate.

Mr. SYMINGTON. Not on this item. However, to make the record perfectly clear, I recommended substantial increases for Army modernization in committee but my amendment to that effect did not carry.

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

Mr. SYMINGTON. I yield.

Mr. HUMPHREY. Will the Senator offer the amendment for consideration by the full Senate?

Mr. SYMINGTON. I am glad the distinguished Senator from Minnesota has made that suggestion. I say in my prepared statement that I recommend the United States Army, under world conditions, be modernized at least up to the minimum necessary degree. I recommended in the committee that $693 million be added to the bill for the Army. That amount I divided into $115 million for research and development and $578 million for procurement of modern equipment.

I was not successful in getting those recommendations accepted.

While I do not plan to offer them on the Senate floor in light of the committee actions, I in no way have changed my opinion as to their soundness. If we have the right to draft boys from the farms and from the cities in peacetime, we have the duty to give them proper and adequate equipment. However, I do not want to take the time of the Senate by offering amendments which are certain to be defeated.

In this atomic age, no Pentomic division army could long exist on any battlefield without mobility and modern support equipment, items which are easy to neglect, because they are the unglamorous; such items as bridge equipment, pontoons, water purifiers, and the method and means of transport and supplies.

Think of it—the Army of the United States moving into Lebanon and supporting our British allies in Jordan with old tin cans used 14 years ago.

Yet, all the committees which have been appointed, either by the White House, like the Gaither committee, or by the Department of Defense, like the Johns Hopkins group, or a voluntary committee, like the Rockefeller committee, state emphatically that this country can afford to spend more money on

its defense without adversely affecting its economy. Only this morning I read in the New York Times that the Committee for Economic Development had taken the firm position that we could spend many more billions of dollars annually on our national defense without hurting our economy. This report, too, should be read with interest by everyone.

Picture the waste in such an operation in man-hours alone.

Bridging equipment in our Army is still of the World War II variety, with heavy steel composition; and our pontoons are wooden assault boats.

The Army earnestly desires modern lightweight aluminum and plastic pontoons and bridging equipment.

Both the Soviets and some of our allies have such equipment now.

About $15 million is needed for this latter equipment.

In this day of atomic fallout, water-purification systems have become a vital item on the atomic battlefield. But the American Army is still using its World War II purification sets.

New mobile equipment is available. The Army desires 375 such sets. They would cost $10 million—the cost of one modern plane.

These are but a few of the relatively unglamorous items the Army is so badly in need of.

In committee, after careful study, as previously mentioned, I urged $693 million for research and development and overall Army modernization.

This amount was rejected.

Current developments in Soviet techniques, weapons, and equipment reveal greatly increased emphasis on the mobility of ground troops. Russian logistical support has been vastly improved by increased standardization; and also by auto and air transport capabilities.

Nobody is guessing as to the Russians' accomplishments in these fields.

True, they continue to boast of their progress, but they graphically displayed that progress in the November 7 display in Moscow last year. The pictures of the modern equipment displayed in those parades were shown to the Senate committee.

If the necessary modernization of our forces is not provided, we may well have to send American troops into battle ill-equipped with the very things needed to insure their survival—against a well-equipped enemy determined to destroy our way of life.

The Congress has the constitutional responsibility to provide the resources necessary for our Armed Forces.

But the Congress cannot control expenditures. Witness the expenditure ceilings, the freezing of appropriated moneys—only last year.

In spite of this failure to carry out Congressional intent, the President, last October 10, in a nationwide broadcast, criticized the Congress for cutting quite severely what he wanted for defense.

At that time I urged the President to call a special session of Congress so that in no respect could the Congress be responsible for blocking actions toward obtaining an adequate national defense.

I did not agree with the President's criticisms of the Congress at that time. In my opinion, the record did not support his statement about cutting severely.

Nevertheless it is becoming abundantly clear that, if world conditions worsen, the Congress may again be subject to similar criticism.

Only this morning the New York Times quotes the Secretary of Defense, and also the senior Senator from Massachusetts, regarding the Senate's committee proposal to add funds above the administration's defense budget request.

The Secretary is reported as having said the added money to maintain manpower was not needed, and also that the added money for troop-carrying aircraft, B–52 jet bombers, KC–135 jet tankers, and missile-launching submarines would provide more equipment than they needed.

Based on the past, as expressed above, and, more importantly, based on these latest high-level announcements, there is little point in my now offering essential amendments to modernize our Army, as it faces the possible enemy in so many different places.

It should be clear to all where the responsibility rests for our inadequacy on the battlefield in case our current diplomatic policies bring on a shooting war.

In the past, American policy, as enunciated by a great President, Theodore Roosevelt, was to speak softly, but to carry a big stick.

Each of my colleagues can draw his own conclusions about what our policy is today.

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

Mr. SYMINGTON. I yield.

Mr. CLARK. In my most humble opinion, the Senator from Missouri has just made a speech which is fully documented from his own wide research and personal knowledge of this situation. It is a speech which quite frankly frightens me, and I think it ought to frighten the American people.

I note with considerable chagrin that the press gallery is practically deserted, except for the loyal members who represent the wire services.

I note with some concern that the attendance in the Senate Chamber is not what I would have hoped would be forthcoming for such a speech. I fear very much that the speech which the Senator has just made will not receive the attention throughout the country which I think it clearly deserves.

I regret very much that my good friend from Missouri has felt, for reasons with which I sympathize, that it is not desirable to offer amendments to make up the deficiencies which he has indicated. I would have been happy to support such amendments. I am certain that at least a few other Senators are as frightened as I am, and would also have supported the amendments.

I have made this preliminary comment, because I wish to ask my friend from Missouri if he will answer a relatively small number of questions.

Mr. SYMINGTON. Before I try to do so, I say to my able friend from Pennsylvania that one of the finest experiences I have had in the Government has been the privilege of knowing Lt. Gen. James Gavin.

This great general, who resigned from the Army and gave up his military career because he believed he could better serve his country outside the service than inside, has written a book. Not only is his manuscript being published in book form but Life magazine is starting a summary of the book in this week's issue and will continue it next week. It is my understanding that a good many million Americans read that magazine. Therefore, by this medium, within the next 2 weeks a good many million Americans will have the opportunity to know the truth about the American Army today by reading what has been written by a man who has a dedicated background and whose battle record has never been exceeded, in my opinion, in the history of the American armed services.

I thank the Senator from Pennsylvania for his kind remarks. I shall be glad to try to answer any questions he may ask.

Mr. CLARK. While I, too, have the highest regard for General Gavin, whom I do not have the privilege of knowing personally, the Senator from Missouri is aware of the fact that in about 2 weeks Congress, in all likelihood, will have adjourned. The bill, we hope, will have become law. The deficiencies indicated by the Senator from Missouri will not have been remedied.

I also point out to my good friend from Missouri that Gen. Matthew Ridgway said approximately the same thing several years ago about the status of our defense as it then existed, and his views also were widely circulated. If I recall correctly, 1 or 2 of his articles were published in Life magazine.

The Senator from Missouri himself has referred to the Gaither report, the Rockefeller report, and the Johns Hopkins study. Yet nothing ever seems to happen. This is a matter which concerns me very much.

My first question is, Does the Senator know of any reason, either security or otherwise, why the Department of Defense should not be called upon to answer the article which Mr. Alsop wrote, which was published this morning, and which the Senator has placed in the RECORD as a part of his remarks?

Mr. SYMINGTON. The same thought occurred to me. On the other hand, if anyone had the temerity to answer Mr. Alsop officially, he would probably be accused of violating security, and the result might be just a publicized investigation.

Mr. CLARK. The Senator from Missouri was an able member of the Subcommittee on Military Preparedness, which the distinguished majority leader headed earlier in the session, at which time a number of deficiencies in our defense posture were pointed out to the Department of Defense.

Is there any particular reason why that subcommittee could not meet in executive session and call upon the Department of Defense to answer the Alsop article and also to answer the speech which the Senator from Missouri has so ably delivered on the floor?

Mr. SYMINGTON. That is a very interesting suggestion. Inasmuch as I am a member of the Committee on Armed Services, and recently was briefed by the Central Intelligence Agency, I do not think I have to listen to Mr. Alsop testify to form my own opinion of the accuracy or inaccuracy of his statements.

But so long as the Senator from Pennsylvania has raised the question, he may be interested in the fact that I have suggested to the chairman of the Subcommittee on Military Preparedness that General Gavin be asked to testify regarding the shocking statements he has made in his great book—a book which, in my opinion, should be read by all citizens interested in the survival of this country.

Mr. CLARK. I, for one, hope that some such step will be taken.

The Senator from Missouri was kind enough to discuss with me on the floor some days ago the capability of our country for fighting brush wars and, in particular, our deficiencies in airlift. In the Senator's judgment, does the bill on which we are about to vote adequately remedy those deficiencies?

Mr. SYMINGTON. No, I do not believe so. For example, no army today can be modern if it is not mobile.

Despite the statements of those who place budget figures ahead of military strength, the American Army is not in a position to be lifted and supported overseas in anywhere near the minimum extent necessary.

Mr. CLARK. That statement also frightens me, especially when I relate it to the situation which exists in the Middle East. I wonder what would happen if Communist China should decide tomorrow to attack South Korea, attempt to invade Formosa, and to undertake an operation against Laos, Cambodia, and Vietnam. I suspect the Senator from Missouri will agree with me that there is precious little the United States of America could do about it without starting an all-out global atomic war.

Mr. SYMINGTON. I can only answer my able friend from Pennsylvania by quoting sworn testimony given first in 1956 and reemphasized in recent months before the Senate Preparedness Subcommittee. The United States Army does not have available sufficient capability to lift and properly support overseas a single division. I might add that the total airlift available to the Marine Corps is far less adequate than that available to the Army.

Mr. CLARK. I again recall to my friend what he has told me before; namely, that the Marine Corps has no airlift of its own; has no paratroopers; and is comparatively helpless to land in any position where the Navy cannot put them, unless somebody else provides them with airlift. Is that a correct statement?

Mr. SYMINGTON. That is correct. The Preparedness Subcommittee just recently heard testimony to the effect that the Marine Corps has only about 30 C–54's for airlift purposes. These are the old DC–4's, which, when I was Chairman of the Surplus Property Board, sold as obsolescent airplanes to the airlines of the United States 13 years ago.

Mr. CLARK. And which I, as a member of the Air Force, flew in to India in 1943, at which time that particular aircraft, if not obsolete, was at least obsolescent.

Mr. SYMINGTON. It is not pressurized, and its speed is approximately 200 miles an hour. We used a considerable number of them in the days of the Berlin airlift. Its floor loading capacity is slight. I imagine that the distinguished Senator from Pennsylvania would not want to repeat his trip to India in that type of airplane.

Mr. CLARK. I can say I certainly was rather timid about flying "the hump" in it.

In the opinion of the Senator from Missouri, what is the connection between the Department of Defense appropriation bill, as it now is before the Senate, the expenditures by the Department of Defense in the coming months, and the proposed increase in the debt limit?

Mr. SYMINGTON. Just a few days ago I asked the Secretary of Defense how we could avoid another financial or cash crisis next fall if the debt limit were not raised promptly. The Secretary replied that he did not see how programs could be carried out—which I understood to mean that he did not see how a cash or financial crisis could be avoided—unless the debt limit were increased.

This was in a subcommittee hearing. I asked him, "How much will it have to be increased? About $8 billion or $10 billion?"

He replied, "About that much."

So, I was interested and in some respects relieved when the administration announced the next day that it was recommending the debt limit be increased by approximately $8 billion.

Last fall, we in the Congress were blamed for the problems incident to the fiscal limitations on defense. Yet, during the 3 years prior to sputnik the Treasury Department had requested, and received from the Congress, temporary increases in the debt limit. However, in fiscal 1958, just prior to sputnik, when the cash crisis reached the point where many manufacturers were asked to finance their own operations in connection with the production of defense items, the administration made no request for an increase in the debt limit.

Mr. CLARK. Would not the Senator from Missouri agree with me that the failure of the administration to request, this time last year, an increase in the debt limit had serious implications in respect to the inability of the Defense Department to spend money for our national security as rapidly as the national security required?

Mr. SYMINGTON. I agree. In addition, it was a major contributory factor to the serious recession we have been experiencing.

Mr. CLARK. In conclusion, Mr. President, let me commend my good friend, the Senator from Missouri, for his splendid presentation this afternoon.

Again, I wish to convey to my colleagues my own, enormous concern, approaching fright, my feeling that the sense of urgency generated at the time of sputnik has rather generally dissipated, and my even greater concern that in the months ahead, because of the failures at the executive level, and to a somewhat lesser extent in the Congress, to take the steps necessary to assure our national security, we may very well be on the verge of deadly peril.

Mr. SYMINGTON. Mr. President, I express my appreciation for the significant contribution to this important debate made by the distinguished and very able Senator from Pennsylvania.

Mr. CLARK. I thank my colleague.

Mr. SALTONSTALL. Mr. President——

Mr. SYMINGTON. Mr. President, I shall be glad to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I have listened with great interest to the remarks of the Senator from Missouri, for he and I have worked many times on this subject.

I am sure he realizes that all of us want modernization of all our defense equipment.

At this point, I call his attention to the fact that the following appears on page 37 of the report of the House committee on this bill:

PROCUREMENT OF EQUIPMENT AND MISSILES

The procurement of all major equipment for the Army is provided through this account including long lead-time materiel such as guided missiles, aircraft, weapons, ammunition, vehicles, and facilities. The procurement of certain items for the Navy, Air Force, mutual assistance program, and other authorized customers is also handled through this appropriation on a reimbursable basis.

The committee recommends an appropriation of $1,644,600,000 for 1959 which is the first appropriation since the end of the Korean war. Prior to this year there have been sufficient funds available from balances and reimbursements to carry on budgeted programs. The original budget submitted in January contained an estimate of $1,405,000,000. The amendments to the budget, submitted on April 2, 1958 (H. Doc. No. 364), contained an increase of $218,100,000 for the acceleration of two programs: (1) $130,100,000 for the Nike Zeus antiballistic missile system, and (2) $88,000,000 for the modernization of equipment for the Pentomic divisions of the Army.

The amount recommended represents a net increase of $21,500,000 over the amended budget estimate which totaled $1,623,100,000. The committee increase provides $37,000,000 for modernization of equipment offset by reductions of $15,500,000 in other programs. No attempt has been made to apply the increase to the individual budget programs.

I call the attention of the Senator from Missouri to the fact, with which he is familiar, that of the $15,500,000 reduction voted by the House of Representatives, the Senate committee has voted to restore approximately $15 million. So the Senate committee has voted to provide approximately—I have not added the figures exactly—$1,659,000,000, plus $15 million, or approximately $1,674,000,000.

Mr. SYMINGTON. What does the Senator from Massachusetts have in mind?

Mr. SALTONSTALL. My purpose is to show that our committee considered the modernization of the Army. Together with the amount the House of Represent-

atives has voted, approximately $1,674,000,000—when we include the additional amount voted by the Senate committee—will be available for the procurement of equipment and missiles program.

Mr. SYMINGTON. How much of that was due to the military pay bill, as passed by both Houses of Congress?

Mr. SALTONSTALL. None of it.

Mr. SYMINGTON. None at all of the $1,660 million?

Mr. SALTONSTALL. No; that amount is solely for the procurement of equipment and missiles.

Mr. SYMINGTON. How much did the House of Representatives vote?

Mr. SALTONSTALL. The amount voted by the House of Representatives was $1,659,600,000, under the heading "Procurement of equipment and missiles"; and the Senate committee voted an additional $15 million—making a total of approximately $1,674,000,000.

Mr. SYMINGTON. Aside from that amount for the procurement of equipment and missiles—how much did the Senate committee add to what was voted by the House of Representatives for procurement modernization; and how much had the House of Representatives previously voted for procurement modernization?

Mr. SALTONSTALL. The House of Representatives voted $37 million over the budget for procurement modernization. The Senate committee agreed to the $37 million increase and voted an additional $15 million for spare parts which would be bought with the funds provided for procurement. The revised budget estimate—of April 2, 1958, House Document No. 364—provided for an increase of $218,100,000 over the original Army procurement budget item.

So today there is in this bill a total of $1,674,349,000 for the procurement of equipment and missiles. That is the point I wish to make.

Mr. SYMINGTON. Mr. President, I do not think that the figures cited by the Senator from Massachusetts answer completely the question I asked. I have already stated the extent to which we took care of the missiles situation. I went into that matter in some detail.

Mr. CHAVEZ. Mr. President——

Mr. SYMINGTON. Mr. President, I will yield after I have spoken to comments from the Senator from Massachusetts.

The PRESIDING OFFICER (Mr. JAVITS in the chair). The Senator from Missouri has the floor.

Mr. SYMINGTON. Mr. President, the Senate committee has voted to increase by $14,749,000 the amount voted by the House. Ninety-five percent of that amount, or $14,274,000, was a restoration of a cut voted by the House of Representatives for aircraft spare parts.

I know the Senator from Massachusetts does not consider that to be a substantial portion of a $40 billion budget.

The House of Representatives voted to add $37 million for Army modernization in procurement. Senators cannot defend the position of the Senate committee on modernization by reference to an item of a few million dollars for spare parts.

At this time I shall be glad to yield to the distinguished Senator from New Mexico, the chairman of the subcommittee; and thereafter I shall be glad to yield to the Senator from Massachusetts.

Mr. CHAVEZ. I yield to the Senator from Massachusetts, so he may have the opportunity to clarify the situation with the Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri has the floor.

Mr. SYMINGTON. Mr. President, I had yielded to the Senator from New Mexico, and in accordance with his suggestion, I now yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I wish to say to the Senator from Missouri, and I say it most respectfully, that the figures I am about to quote are those for procurement of missiles and equipment. The original budget figure was $1,405,000,000. That was later increased, on April 2, by $218,100,000. The House increased that figure by $37 million as an addition to modernize equipment. At the same time it took $15,500,000 from other programs, including $15,025,000 for spare parts. The committee restored all but 5 percent of the $15,025,000.

All I want to get into the RECORD is the fact that there is in this bill today for the Army, for procurement of missiles and equipment, $1,674,000,000.

I agree with the Senator from Missouri that we ought to modernize the equipment of the military services. We cannot do it all at once. All I wanted to say, in supplementation of what the Senator from Missouri has said, was that there is that amount of money provided for Army procurement of equipment and missiles. That is all I wanted to say.

Mr. SYMINGTON. It was my understanding that the Senator from Massachusetts had heard my statement in which I went into details in regard to missiles. I respect his right to his own opinion in this matter, just as I did in the matter of the 1957 airpower report, with which he dissented.

The total increase the House made for Army modernization was $37 million. The chairman of the committee pointed out during our committee session that $37 million was a lot of money. I do not think it is relatively a lot of money in the perspective of a $40 billion budget. The Senate committee added to the $37 million amount $14 million for spare parts for aircraft for the Army. That was not the burden of my remarks.

I cannot agree with the Senator that we have adequately recognized the importance of modernizing the Army. Rather, I agree with General Gavin's well-supported position in this matter. I do not cast blame on anybody in particular, but I think the American people should know the true condition of the United States Army with world conditions as they are today.

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

Mr. SYMINGTON. I yield to my distinguished friend from Wisconsin.

Mr. WILEY. I shall not go into the matter of dollars. I think the Senator has made a very challenging statement, and one for which we who have listened will have to find answers in one way or another. I am not an Army man, although I have relatives who have served.

About a month ago it was my privilege to discuss with a very outstanding military man the question of national defense. I should like to ask the Senator from Missouri several questions.

Mr. SYMINGTON. Let me assure the Senator from Wisconsin I shall try to answer his questions.

Mr. WILEY. First, he said in the position we are in today we are able to put out any brush-fire war that may start, unless the Kremlin "lets its balloon go up." Does the Senator think that is a correct statement?

Mr. SYMINGTON. I want to be sure I understand my friend's question. The Senator from Wisconsin is not saying that I made that statement; he is saying somebody else said that to the distinguished Senator from Wisconsin?

Mr. WILEY. Oh, yes. I am asking the Senator the question whether that is a correct statement. The Senator knows what is meant by brush fires. We have a brush fire right now in the Middle East, unless the Kremlin steps into the picture. This military man said with the materiel we have in the air, with the submarines in our possession, with our Navy, there is no brush fire which could start anywhere in the world that we could not put out, unless the Kremlin thought it was time for a third world war.

I should like to get the Senator's judgment on that statement, because the next question will follow.

Mr. SYMINGTON. I can answer only in this way: The Senator has presented a completely hypothetical situation, although we have an actual case history from what happened in Korea. If the Russians should put Chinese volunteers, or any other kind of volunteers, into a country with which we have a commitment, I do not believe we would be in a position to defend against such an offensive with so-called conventional weapons any more than we were in the vicinity of the reservoir in Korea when the Chinese Communists crossed the Yalu. I again emphasize, however, that the Senator has asked me a question which is completely hypothetical.

Mr. WILEY. I think the Senator has answered the question in part; but with the modern weapons with which our troops in the Middle East are now equipped, if any of those countries resisted, even with Russian volunteers—unless the Russians used airplanes—does the Senator think we could not put out the fire?

Mr. SYMINGTON. I believe the able Senator and I are skirting the problem of classification, but I will say that, unless his premise is that we would be willing to risk an all-out nuclear war by retaliating with nuclear weapons, I think our position in the Middle East is extremely unfortunate if we are forced to fight. Actually, in contrast with Korea which was near where our forces were located in Japan, the Middle East is a most unfortunate place for the United States to get into any further trouble.

Mr. WILEY. I follow my previous questions with this question: If we got into a third world war, what would we fight with?

Mr. SYMINGTON. That is a difficult question. It was also asked of Professor Einstein. He said he did not know, but he knew what the weapons would be in the fourth world war. Somebody asked, "What?" Einstein said, "Rocks."

In a third world war, I do not know whether we would retaliate in nuclear fashion. The Senator is a member of the Committee on Foreign Relations and knows that the head of SHAPE, in NATO, as well as other high officials in the Government of the United States have repeatedly stated they would respond to any aggression with nuclear weapons. I do not know.

Mr. WILEY. My question goes to the basis of what the Senator has been talking about. It appears from some statements that the Senate has failed, and the executive branch has failed, in providing adequately for defense, as the Senator has outlined. I was looking for the kind of an answer which I got from a distinguished military man. I will not say what branch of the service he was in, but he said, "Of course, if the 'balloon should go up,' as the expression goes, then from every base in the world where our airships are, with the hydrogen bombs, and from every allied place in the world would go forth the attacking force." And he said also that the armies would be disintegrated. He said, "You could not have forces of men such as the armies we have now." He said, "One H-bomb would destroy New York City." That is how effective the bomb is.

Consequently, I am trying to fit into this picture, if the Senator's facts are correct, why both the Senate committee and the executive branch have failed, as the Senator claims, to do what the Senator thinks should be done.

I was thoroughly sold by what this man said. He said, "In the third world war you will not have armies, because groups of men will simply have to disintegrate in their own defense." But he did say that we have the ability to put out any brush fire, if it started, if we have to. However, if the Kremlin should let loose, then the war would be in the air, with great bombs and every weapon we can conceive of, even gas and all other things. Aggregations of mere armed men would not be in the picture.

I was wondering, if the Senator presented the argument he has made to the Appropriations Committee, if that point was discussed and what the answer was. Why did the committee not agree with the Senator?

Mr. SYMINGTON. Mr. President, as I understand what the Senator is presenting it is the question of all-out nuclear war. Let me assure the Senator that I believe the United States has the capability to destroy the Soviet Union today. Let me also assure the Senator that I believe the Soviet Union has the capability to destroy the United States today. The Senator says he is very much impressed by what the gentleman to whom he referred said.

Mr. WILEY. And I was impressed by what the Senator from Missouri said.

Mr. SYMINGTON. In effect, the Senator's authority said that we do not need armies any more.

Mr. WILEY. No; he did not put it that way.

Mr. SYMINGTON. Just how did he express it?

Mr. WILEY. He said that if we got into a third world war, the armies themselves would have to disintegrate to protect themselves.

Mr. SYMINGTON. I am trying to follow the remarks of the Senator from Wisconsin. I assure him that I believe we are capable of massive retaliation against the Soviet Union or any other country in the world. On the other hand, from my limited knowledge in a field in which the Senator is a far greater authority than I am——

Mr. WILEY. The Senator is too humble. I am no authority at all.

Mr. SYMINGTON. I do not believe we will have a nuclear war for a long time to come. I hope never. What worries me is that we may become engaged in a peripheral or a limited war. Hence, we have to be ready for such a contingency if we are to defend our security. I do not believe that the programs presented by the administration or even the programs approved by the Congress are adequate to defend us properly in case of a limited war.

Mr. WILEY. That is the issue, and that is what I am looking for an answer to.

Mr. SYMINGTON. I thank the Senator.

Mr. WILEY. I could not understand how all the others could be all wrong and the Senator could be all right, unless there is some explanation.

Mr. SYMINGTON. That is a fair statement, but I would say many other people may be wrong. The business of being all wrong or all right is a pretty broad coverage. Let me point out to the Senator that the top Army experts asked for $11,364,130,000 for this budget and the request to the Congress was some $2.5 billion less than that. So, undoubtedly those experts disagree also with your friend. Also, we have the Rockefeller report which, if the Senator has not read it, I recommend he do so. We have the Gaither report, which I understand was not released because it would have terrified the American people. There may have been other reasons for this suppression, also. We have the Johns Hopkins University studies, which also took the position that our situation is most precarious. We have the report of the CEA, just released, which, as is true of many other important councils, is composed of a good many more members of the Senator's party than members of mine, whose executive secretary, Dr. Henry Kissinger, thinks, as do so many others who have studied the situation, that we are doing far too little to modernize and strengthen our forces for limited wars.

Let me assure the Senator I would not be taking this position on the floor if I felt we were doing enough.

Mr. WILEY. I believe I can agree with that conclusion. The Senator is sincere.

Mr. SYMINGTON. I thank the Senator.

Mr. WILEY. The Senator has made a very challenging address.

Mr. SYMINGTON. I appreciate the Senator's remarks.

Mr. WILEY. I was also impressed by the remarks of the Senator from Massachusetts when he said that for the items the Senator criticizes there is something like $1½ billion in the jackpot. I wonder what is adequacy, in the nature of billions of dollars? Certainly, if in the last analysis weapons which are the most effective have to be chosen, the military men, in those responsible executive positions, and those whose business it is to decide must make decisions. There must be someone with authority, and we must take into consideration his judgment.

The Senator from Missouri has made a contribution. I hope the committee will go into the matter further, but let us pass the bill.

Mr. SYMINGTON. Mr. President, I hope the Senator from Wisconsin agrees with me that this is too important a matter to be rushed. The future security of the Free World is at stake. I am grateful for the Senator's contribution to the colloquy.

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

Mr. SYMINGTON. I yield to my friend from Minnesota.

Mr. WILEY. If the Senator will yield for one moment further, I think the inference to be drawn from the statement is that neither the committee nor the Secretary had the same idea the Senator has. Both the committee and the Secretary are interested in the security of the Free World. The statement might suggest that they did not take such into consideration, and I do not think that is quite a fair statement. Just as people differ about politics, they differ about religion, and they differ about economics.

Mr. SYMINGTON. Yes.

Mr. WILEY. And people can differ as to how we should distribute funds for the defense of the country.

Mr. SYMINGTON. The Senator is reading inferences into my remarks which are not correct.

Of course, if the Senator wishes to state opinions of his own, I should be pleased to hear them, but the Senator's interpretations of my remarks are, as I said, inaccurate.

There appears to be a strong preference among some in high places in the Government to place fiscal and money considerations ahead of the defense against aggressions.

Mr. WILEY. I thank the Senator for his consideration, anyway.

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

Mr. SYMINGTON. I yield.

Mr. HUMPHREY. I should like to carry on the discussion from the point the Senator from Wisconsin developed, without going into the latter part of the interpolation or the interpretation of what the statements were.

Mr. WILEY. Keep smiling.

Mr. HUMPHREY. The Senator from Wisconsin was raising a question which I am sure is in the minds of many of us. The Senator from Missouri surely has aroused our interest, or there would not be as many Senators here listening and asking questions.

While the debate may get a little warm once in a while, this is one time when there is a little light without heat. It is a very refreshing experience, and I want to thank the Senator for all he has done.

First I should like to ask a few questions as one Senator who will be asked to vote on a bill which, as the chairman of the committee so appropriately said earlier today, is the largest appropriation bill to come before the Congress. We have been arguing about $30 billion all year long, and now we are up to the $40 billion question.

I thought the Senator from New Mexico put it in a nutshell when he told us what we had been doing for 7 months; and now we are asked to do a $40 billion job in a few hours.

Having said that, I hope the Senator from Massachusetts, whom we all respect, will give us, before the debate is concluded—or perhaps the chairman of the subcommittee, the Senator from New Mexico [Mr. CHAVEZ], can give us—a breakdown of the $1,600,000,000 item.

Do not misunderstand me. I do not even know what is in the item. All I know is that the Senator from Missouri has raised certain questions which are of great interest to me. He has outlined what he felt was necessary in terms of modernizing the equipment of the United States Army, predicating his presentation on the fact, as he saw it, that the equipment was not adequate for the mission assigned to the Army.

Therefore, I think it would be helpful—I do not ask for it at this moment, but when it is convenient for the Senator from Massachusetts—if he would give us a breakdown as to what is meant by "procurement and missiles." Is it 75 percent missiles? Is it 80 percent missiles, or 50 percent?

The argument of the Senator from Missouri was not about missiles. I looked at the paragraph in which he pointed out that money was appropriated for certain missiles—the Redstone, the Sergeant, the La Cross, and the Honest John. The Senator from Missouri was emphasizing what he called the unglamorous equipment, the bridge equipment, self-propelled mortars, and many of the items of the military about which we do not usually hear.

Mr. SYMINGTON. That is correct.

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

Mr. SYMINGTON. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. What the Senator asks is difficult to answer on very short notice. In order that there may be no misunderstanding between the Senator from Missouri and myself, let me say that the figure I used, $1,674,000,000, represents purchase or procurement of equipment and missiles, which is the first large procurement order for the Army since the Korean war, as I understand the House report.

Mr. HUMPHREY. How much of that is for missiles?

Mr. SALTONSTALL. In answer to the Senator from Minnesota, on page 39 of the House report, the second paragraph reads in part as follows:

> The budget originally contained $657 million for the modernization of conventional equipment, which was later amended by $88 million. With the addition of the $37 million increase over the budget recommended by the committee, the Army will have a total of $782 million available for this phase of the modernization program in fiscal year 1959.

Mr. SYMINGTON. That is from the House report. Let us take a look at the procurement figures for ground-to-air missiles, alone. The total for fiscal year 1959 is $1,194 million. For Nike-Hercules, $262 million; Hawk, $216 million; Missilemaster, $16,500,000; BOMARC, $738 million.

Again, let me refer to the facts of the budgetary process. The Army requested $11,364,130,000. The administration cut that figure and instead asked the Congress for $8,935,535,000. This was a decrease of $2,428,595,000. Of this approximate $2½ billion cut which the administration made in the Army request, $1,293,200,000 was for modernization purposes. That part of the cut was broken down into $1,207,900,000 less for procurement, and $85,385,000 less for Army research and development.

The Senate committee increased the House's Army procurement figure by $14,749,000, of which $14,274,000 amounted to a 95-percent restoration of the House cut for aircraft spare parts. The House increased the Army procurement figure over the budget request by $36½ million. The Senate increased this item over the House figure by $14.7 million. So the total increase over the administration's budget request was $51.2 million in this area about which we are talking.

I say with great respect to my friend from Massachusetts that it is almost unbelievable, with the situation in the Middle East the way it is, that, despite the urgent pleas of the heads of the Army, we increased the Army procurement figure by only $14-million-plus in the Senate committee and that was mostly for spare parts. On that question I am in the minority.

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

Mr. SYMINGTON. I will always yield with pleasure to my friend the Senator from Massachusetts.

Mr. SALTONSTALL. I think we are talking at cross purposes. I will not repeat the figures, because I do not wish to delay the Senate. I gave the figure for procurement and missiles from the House side. The figure for modernized Army equipment was a total of $782 million. It is easy to become confused by figures.

Mr. SYMINGTON. Tonight tens of thousands of American boys are in Germany, in Korea, and in the Middle East. We all know the danger they face from the great and growing Communist conspiracy. Those who have studied the subject know that our forces have obsolescent and obsolete equipment as part of the means with which to face that threat.

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

Mr. SYMINGTON. I yield to my able friend.

Mr. HUMPHREY. The Gaither report was heralded early this year. As I recall, there were some leaks about it to the newspapers. What those of us who were not members of the Armed Services Committee heard about it was enough to make our hair curl.

Mr. SYMINGTON. Let me interrupt my friend from Minnesota to say that the Gaither report was refused to the Senate Armed Services Committee. The Senate Armed Services Committee never saw the Gaither report.

Mr. HUMPHREY. Did the Senate Armed Services Committee ever see the Rockefeller report on national security?

Mr. SYMINGTON. Yes. The Rockefeller report was published.

Mr. HUMPHREY. Was that report studied in terms of witnesses testifying with relation to it?

Mr. SYMINGTON. I believe that is a fair statement.

Mr. HUMPHREY. Have reports such as the studies by Johns Hopkins University likewise been studied?

Mr. SYMINGTON. The Johns Hopkins University reports were discovered by coincidence, by Mr. Ed Weisl, the able counsel of the Military Preparedness Subcommittee. They were prepared by Johns Hopkins University for the Army, and made available to the Air Force and the Navy. They were not submitted to the committee at the time, although it had requested all the data necessary to study and understand our defense situation.

Mr. HUMPHREY. Does the Armed Services Committee receive regular reports from the heads of the various services, such as the Chief of Staff of the Army, the Chief of Naval Operations, and the Chief of the Air Corps?

Mr. SYMINGTON. I do not know what is meant by "regular reports." I prefer that that question be asked of the chairman of the Senate Armed Services Committee.

Mr. HUMPHREY. I congratulate the Senator from Missouri. There is an argument as to the amount of equipment which has been appropriated for. I do not know exactly how to judge that question. I do know that recently Secretary of State Dulles said that he had to accept the concept of building the defenses of this country for purposes of limited war. This was a reversal, as the Senator will know, of the massive retaliation theory.

Mr. SYMINGTON. The Senator is correct.

As I understand, the Senator from Missouri——

The PRESIDING OFFICER. The Senate will be in order, so that the colloquy may be heard.

Mr. HUMPHREY. Recently the Secretary of State, Mr. Dulles, as a result of a policy planning division study in the

Department of State, said that the concept of limited war had become a fundamental part of American security; therefore, there were certain changes which would have to be made in the defense posture and structure.

Mr. SYMINGTON. Yes; the Secretary of State has reversed the position he had previously announced in January 1954, with respect to massive retaliation, by stating it would be necessary for this country to prepare itself for limited war in order to maintain its security.

Mr. President, this evening I have tried to explain on the floor of the Senate why in my opinion that is not being done.

Mr. HUMPHREY. This is my understanding also.

First I wish to make it quite clear that the Secretary of State has done a great service to the country by stating that policy. I commend him for the analysis he has made. This is a new concept of American defense. As I understand, the Senator from Missouri is merely saying that if that is to be the defense posture of our Nation—and he thinks it should be, and I agree with him—he feels that the strength of the American Army, in terms of the modern equipment which will give it new firepower and will make it an effective instrument for defense and also for offense, has not been provided. That is my understanding.

Mr. SYMINGTON. I thank the distinguished Senator for his statement. I agree with him that the Secretary of State did a fine job for his country when he reversed his position and stated that we ought to prepare for limited war as well as for all-out war.

Returning for a moment to the matter of funds for modernization purposes, I think it only fair to say that $140 million was added by the Senate committee for airlift. That shows up in the Air Force rather than in the Army budget. It would be assumed that at least some of that lift will be available to the Army in case we have further troubles. However, this $140 million was only half of what I recommended to the committee and only a portion of the overall increase I proposed for the Army and the Air Force.

My statement on the floor tonight had to do primarily with the relatively unglamorous equipment, with respect to which the Russians have shown they have made such tremendous strides, especially in their parade on November 7, 1957. They showed very little except modern mechanical equipment for their army. That is in contrast with our own Army equipment, based on the testimony which was given on the subject to the Preparedness Subcommittee and to the Subcommittee on Military Appropriations. This whole issue is covered quite extensively in the book by General Gavin, which I referred to previously.

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

Mr. SYMINGTON. I yield to my distinguished chairman.

Mr. CHAVEZ. The Senator from Minnesota asked me a question about a breakdown. If the Senator from Missouri will yield me sufficient time I will give the breakdown.

Mr. SYMINGTON. That would be most constructive.

Mr. CHAVEZ. On page 541 of the Senate hearings there is a chart showing information on missiles and rockets. It shows $313 million for surface-to-surface missiles and rockets; $560 million for surface-to-air missiles; $127 million for helicopters and other aircraft; $20 million for atomic assemblies and related components; $320 million for other newly developed items; $132 million for conventional ammunition; $8 million for atomic adaption kits and ammunition; $358 million for modernization of other conventional equipment and filling of initial shortages. This is a total of $1,838,000,000.

From that amount is deducted $165 million for reimbursement from sales of Army stocks and $50 million for deobligations. That gives the total of $1,623,000,000.

Mr. HUMPHREY. I hope the chairman understands that my question was asked only for the purpose of eliciting information. Most of us who are not privileged to serve on the hardworking subcommittee so ably headed by the Senator from New Mexico, do not possess this information. While I am standing I wish to compliment the chairman for what I know is a service far beyond almost human endurance. The Senator said how important the bill was. Therefore, as a citizen and as a Senator I felt it was my duty to get the information.

Mr. CHAVEZ. I am delighted that the questions have been asked. It is very hard for any member of the committee, no matter how keen he may be, to understand every item in the bill.

The bill is so immense, and the American people are so much interested in national defense, that I believe they should be informed as to everything that is in the bill, and the reason for it, and whether it is adequate, and whether it is necessary to do more in the future. I thank the Senator.

Mr. SYMINGTON. I thank the able chairman for his very wise and thought-provoking remarks. I should like to yield the floor, but I should first like to mention several items based on the discussion we have had tonight.

Shortly after Sputnik I, on November 14, the President told the American people that we "would not sacrifice security worshipping a balanced budget." I believe the discussion tonight has brought out again the role played by a balanced budget in the thinking of many.

Also, I believe that in the discussion tonight for the first time since I have been in the Senate anyone has made any extensive effort to improve the position of the Army. I have heard a great many discussions about the lack of air power and have participated in them. I have heard a great many discussions about the lack of naval power and again have participated in them. I have heard a great many discussions about the inadequacies of the Marine Corps position and have taken part in them too. But this is the first time I ever heard a discussion on modernization and strength of the United States Army.

Modernity and mobility in the Army are essential to our defense. Therefore, I have taken the liberty of presenting to the Senate my reasons why I think the amount of money we spend to modernize our Army, based on the increased tension, is totally inadequate.

Mr. President, I yield the floor.

Mr. THURMOND. Mr. President, I have been waiting about 5 hours to offer an amendment which I think I can explain in less than 5 minutes.

Mr. MANSFIELD. What is the amendment?

Mr. THURMOND. Mr. President, I ask that the amendment be stated.

It is submitted by me, on behalf of myself, the Senator from Montana [Mr. MANSFIELD], the Senator from Mississippi [Mr. STENNIS], the Senator from Alabama [Mr. HILL], the Senator from Pennsylvania [Mr. MARTIN], the Senator from Florida [Mr. HOLLAND], the Senator from Washington [Mr. JACKSON], the Senator from Kentucky [Mr. COOPER], the Senator from Alabama [Mr. SPARKMAN], the Senator from Florida [Mr. SMATHERS], the Senator from Louisiana [Mr. LONG], and the Senator from Minnesota [Mr. HUMPHREY].

In fact, Mr. President, both this amendment and the other two amendments which I am about to submit are sponsored by me and all the other Senators whose names I have just mentioned.

The PRESIDING OFFICER. The amendment will be stated, for the information of the Senate.

The LEGISLATIVE CLERK. On page 9, before the period in line 19, it is proposed to insert a colon and the following:

Provided, That the Army Reserve personnel paid from this appropriation shall be maintained at not less than 300,000 strength during fiscal year 1959.

Mr. THURMOND. Mr. President, first I take this opportunity to congratulate the chairman of the subcommittee, the able and distinguished Senator from New Mexico [Mr. CHAVEZ], and the distinguished Senator from Massachusetts [Mr. SALTONSTALL], and the other members of the subcommittee for the excellent work they have done.

In the report, the strength of the National Guard is fixed at 400,000. I am delighted it has been fixed at that number instead of 360,000. The Reserve strength has been fixed at 300,000 instead of 270,000. The bill makes provision for the payment of the National Guard and the Reserve on that basis.

All my amendment does is to add a provision at the end of the Reserve section which is similar to the provision at the end of the National Guard section.

At the end of the National Guard section, the provision simply reads:

Provided further, That the Army National Guard shall be maintained at not less than 400,000 strength during the fiscal year 1959.

My amendment merely provides that the Reserve strength shall be fixed at 300,000 during the same period.

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

Mr. THURMOND. I yield.

Mr. MANSFIELD. What the Senator is doing, as I understand, by offering the amendment, together with a number of cosponsors, is to put into effect by way of an amendment what the chairman of the subcommittee and the full committee have already said is their intention, so far as this year's appropriation is concerned.

Mr. THURMOND. The Senator is exactly correct.

Mr. CHAVEZ. That was the intention of the subcommittee and the full committee, and that is the purpose of the appropriation in the bill, namely, that the strength of the National Guard shall be 400,000, the strength of the Reserves 300,000, and of the Army 900,000, and of the Marine Corps 200,000; and the money is provided in the bill.

If the Senator would like to have further assurance, the chairman of the subcommittee has no objection to accepting the amendment.

Mr. MANSFIELD. Will the chairman of the subcommittee be agreeable to accepting an amendment to incorporate the 400,000-man National Guard, the 300,000-man Reserves, the 900,000-man Army, and the 200,000-man Marine Corps?

Mr. THURMOND. I might make this statement. My first amendment applies only to the Reserves, but I have two other amendments I intend to call up. The first amendment provides that the Marine Corps shall be maintained at not less than 200,000 strength during fiscal year 1959. The second provides that the Regular Army shall be maintained at not less than 900,000 strength during fiscal year 1959.

Mr. CHAVEZ. I am willing to accept the Senator's amendments en bloc.

The PRESIDING OFFICER. Does the Senator from South Carolina desire to have his amendments considered en bloc?

Mr. THURMOND. I am certain that no Senator will object to the first one.

Mr. CHAVEZ. I will accept all of them.

The PRESIDING OFFICER. The two other amendments of the Senator from South Carolina will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 15, immediately before the period in line 3, it is proposed to insert a colon and the following:

Provided further, That the Marine Corps shall be maintained at not less than 200,000 strength during fiscal year 1959.

On page 7, immediately before the period, in line 2, insert a colon and the following:

Provided further, That the Regular Army shall be maintained at not less than 900,000 strength during fiscal year 1959.

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

Mr. THURMOND. I yield.

Mr. THYE. As a member of the Subcommittee on Military Appropriations, I first wish to thank the Senator for allowing me to pay tribute to the chairman of the subcommittee, the distinguished Senator from New Mexico [Mr. CHAVEZ]. To carry on the chairmanship of the Subcommittee on Military Appropriations is an enormous, detailed assignment. The work requires days and days of close study and constant hearings. The Senator from New Mexico was most patient with every one of us who wished to interrogate the many witnesses, in our endeavor to develop the facts relative to the bill.

The distinguishd Senator from Massachusetts [Mr. SALTONSTALL], the ranking Republican member of the subcommittee, likewise always endeavored to develop facts which would make for a sound military appropriation bill. I could continue to name all the other members of the subcommittee. But the Senators who I noticed were present day after day were the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Massachusetts [Mr. SALTONSTALL].

The distinguished Senator from Louisiana [Mr. ELLENDER], and also the distinguished Senator from Missouri [Mr. SYMINGTON], who served at one time as Secretary of the Air Force, endeavored to assist in the development of a sound military appropriation bill.

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

Mr. THURMOND. I yield.

Mr. AIKEN. I wish to add to what the Senator from Minnesota has said. No member of the Subcommittee on Military Appropriations has worked harder to produce an efficient, effective Military Establishment than has the senior Senator from Maine [Mrs. SMITH].

Mr. THYE. Mr. President, I had not completed my remarks. I had only reached that far in the committee. I was about to refer to the minority leader, the distinguished Senator from California [Mr. KNOWLAND], and also to the distinguished senior Senator from Maine [Mrs. SMITH], who were present at the hearings.

The development of the military appropriations bill is an enormous assignment. I could name every member of the committee, but I was simply endeavoring to pay tribute to our distinguished chairman and to the distinguished Senator from Massachusetts [Mr. SALTONSTALL], because of their outstanding work in the development of this appropriation bill.

Mr. President, I now address my remarks to the distinguished Senator from South Carolina. A year ago it was necessary to write positively into the appropriation bill that the personnel of the National Guard would not be reduced below 400,000. I offered an amendment in relation to funds to make certain that there would be ample money with which to maintain the National Guard at a strength of not less than 400,000. I feel very strongly that we can have no greater military strength than that which the reserve training service provides. That is the nucleus on which the Army can be built in a very short time. There can be no better training than to have men serve for a period of several weeks, so as to enable them to keep in constant touch with the ever-changing military equipment.

If a man serves in the Army for 2 or 3 years, and then is discharged, will he subsequently be capable, in view of the complexity of the new equipment, of understanding its use?

But when a reservist is trained several times a month, over a period of several years, he keeps in contact with the new equipment being introduced into the military service, and he understands it—and more especially so as the services begin to use the highly technical equipment in the field of guided missiles.

For that reason, I never would have surrendered on the National Guard items and on the items regarding the reservists.

I will say, for the committee, that it took into consideration all these questions. The bill, as reported by the committee, includes funds for these purposes.

I think the language of the bill is clear. I do not believe any Secretary of Defense ever would dare in any way to discriminate against the National Guard, or ever would dare to permit its strength to fall below the 400,000 we have stipulated in the report.

So I wish to assure my colleagues that I shall support the amendments which have been offered.

The chairman of the committee has already risen to agree to accept the amendments.

In further defense of the bill as reported by the committee, let me say that none of us knows what defense strength the country will need in the coming months or in the coming years. But, according to the best judgment of the members of the full committee, and, more particularly, according to the best judgment of the members of the subcommittee on Department of Defense appropriations, particularly the Senator from Missouri [Mr. SYMINGTON] and the Senator from Massachusetts [Mr. SALTONSTALL], as well as the other members—who know about military matters, as a result of their service on the subcommittee on Department of Defense appropriations, as well as from their service on the full committee—and I say this with entire confidence—this bill is the best one the committee could prepare, because it would be unwise to have too large an inventory of either planes or other equipment, in view of the constant progress being made today in the field of atomic weapons and missiles, for too large an inventory would only dissipate the financial strength of the Nation, as a result of the expenditure of too much money for equipment which would be of no use 2 or 3 years later. We had to consider that matter very carefully.

Again I commend the distinguished chairman of the committee and the other members of the committee who worked so long and so hard.

Furthermore, Mr. President, the Senator from Missouri [Mr. SYMINGTON] did his utmost in attempting to develop the strength of our defense.

Mr. President, I thank my colleague for yielding to me.

Mr. SALTONSTALL. Mr. President——

Mr. THURMOND. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I wish to say to my friend, the Senator from South Carolina, that the chairman of the subcommittee, the Senator from New Mexico [Mr. CHAVEZ], has accepted the amendments of the Senator from South Carolina; and I am glad to join in taking the amendments to conference.

I wish to say that certainly a considerable problem exists in regard to the regular forces of the Army and of the Marines, in the case of providing floors as to the number of men.

I believe that the Army Reserves and the National Guard may be in a somewhat different category.

But I believe that in the conference there can be a full discussion of the matter, and the conference can reach a decision in regard to the floors. The amount of money is not in question; that has been determined. The problem is in regard to the floors and all that goes with them.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator from South Carolina yield to me?

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from South Carolina yield to the Senator from Pennsylvania?

Mr. THURMOND. I yield.

Mr. MARTIN of Pennsylvania. Mr. President, I have great confidence in the committee.

I wish to speak for only a moment. The strength of the National Guard, the Marines, and other units of that character lies in considerable part in the history of those units. Units become great when they have a history; and they obtain a history by being under fire.

For that reason, I hope the amendments will be accepted, because they will mean the retention of units with long history.

For example, in Pennsylvania we have a first city troop. Originally it was a horse outfit. It is now mechanized. But it has participated in every war in which the United States has taken part, beginning with the Revolution. It is a wonderful outfit, because the men want to maintain its history and tradition.

A few years ago I compiled a list and found that every State of the Union has some historic units. The various States are proud of them and the communities are proud of them; and to my mind that is the great reason for keeping to a maximum extent the National Guard, the Reserve, and other components of the armed services which have historic traditions.

The PRESIDING OFFICER. The question is on agreeing to the amendments submitted by the Senator from South Carolina [Mr. THURMOND].

Mr. THURMOND. Mr. President, at this time I wish to thank the distinguished and able Senator from Pennsylvania [Mr. MARTIN], who has a great record as a soldier. We greatly appreciate his fine support of these amendments.

The PRESIDING OFFICER. The question is on agreeing to the amendments submitted by the Senator from South Carolina [Mr. THURMOND].

The amendments were agreed to.

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

Mr. KNOWLAND. Mr. President, I call up my amendments identified as "7–25–58–A," and request that they be read.

The PRESIDING OFFICER. The amendments will be read.

The LEGISLATIVE CLERK. On page 9, line 5, it is proposed to strike out "$3,104,508,000" and insert in lieu thereof "$3,107,200,000."

On page 20, line 5, to strike out "$86,144,000" and insert in lieu thereof "$89,598,000."

On page 25, line 25, to strike out "$4,090,875,000" and insert in lieu thereof "$4,094,975,000."

On page 46, beginning with line 10, to strike out down through line 15.

Mr. KNOWLAND. Mr. President, I also ask unanimous consent to have printed at this point in the body of the RECORD Public Law 569, of the 84th Congress, which deals with the Medicare program.

There being no objections, the act was ordered to be printed in the RECORD, as follows:

[Public Law 569, ch. 374, 84th Cong., 2d sess.]

H. R. 9429

An act to provide medical care for dependents of members of the uniformed services and for other purposes

Be it enacted, etc., That this act may be cited as the "Dependents' Medical Care Act."

TITLE I

SEC. 101. The purpose of this act is to create and maintain high morale throughout the uniformed services by providing an improved and uniform program of medical care for members of the uniformed services and their dependents.

SEC. 102. (a) As used in this act—

(1) The term "uniformed services" means the Army, the Navy, the Air Force, the Marine Corps, the Coast Guard, the Commissioned Corps of the Coast and Geodetic Survey, and the Commissioned Corps of the Public Health Service.

(2) The term "member of a uniformed service" means a person appointed, enlisted, inducted or called, ordered or conscripted in a uniformed service who is serving on active duty or active duty for training pursuant to a call or order that does not specify a period of 30 days or less.

(3) The term "retired member of a uniformed service" means a member or former member of a uniformed service who is entitled to retired, retirement, or retainer pay or equivalent pay as a result of service in a uniformed service, other than a member or former member entitled to retired or retirement pay under title III of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 who has served less than 8 years of active duty as defined in section 101 (b) of the Armed Forces Reserve Act of 1952.

(4) The term "dependent" means any person who bears to a member or retired member of a uniformed service, or to a person who died while a member or retired member of a uniformed service, any of the following relationships—

(A) the lawful wife;

(B) the unmarried widow;

(C) the lawful husband, if he is in fact dependent on the member or retired member for over one-half of his support;

(D) the unremarried widower, if he was in fact dependent upon the member or retired member at the time of her death for over one-half of his support because of a mental or physical incapacity;

(E) an unmarried legitimate child (including an adopted child or stepchild), if such child has not passed his 21st birthday;

(F) a parent or parent-in-law, if the said parent or parent-in-law is, or was at the time of the member's or retired member's death, in fact dependent on the said member or retired member for over one-half of his support and is, or was at the time of the member's or retired member's death, actually residing in the household of the said member or retired member; or

(G) an unmarried legitimate child (including an adopted child or stepchild) who (i) has passed his 21st birthday, if the child is incapable of self-support because of a mental or physical incapacity that existed prior to his reaching the age of 21 and is, or was at the time of the member's or retired member's death, in fact dependent on him for over one-half of his support, or (ii) has not passed his 23d birthday and is enrolled in a full-time course of study in an institution of higher learning as approved by the Secretary of Defense or the Secretary of Health, Education, and Welfare and is, or was at the time of the member's or the retired member's death, in fact dependent on him for over one-half of his support.

(b) Except as otherwise provided in this act, the Secretary of Defense shall administer this act for the Army, Navy, Air Force, and Marine Corps and for the Coast Guard when it is operating as a service in the Navy, and the Secretary of Health, Education, and Welfare shall administer it for the Coast and Geodetic Survey and the Public Health Service, and for the Coast Guard when it is not operating as a service in the Navy.

SEC. 103. (a) Whenever requested, medical care shall be given dependents of members of a uniformed service, and dependents of persons who died while a member of a uniformed service, in medical facilities of the uniformed services subject to the availability of space, facilities, and the capabilities of the medical staff. Any determination made by the medical officer or contract surgeon in charge, or his designee, as to availability of space, facilities, and the capabilities of the medical staff, shall be conclusive. The medical care of such dependents provided for in medical facilities of the uniformed services shall in no way interfere with the primary mission of those facilities.

(b) In order to provide more effective utilization of medical facilities of the uniformed services, the Secretary of Defense and the Secretary of Health, Education, and Welfare shall jointly prescribe regulations in insure that dependents entitled to medical care in a medical facility of a uniformed service under the provisions of this act shall not be denied equal opportunity for medical care because of the service affiliation of the service member.

(c) The Secretary of Defense, after consultation with the Secretary of Health, Education, and Welfare, shall establish fair charges for inpatient medical care given dependents in the facilities of the uniformed services, which charges shall be the same for all dependents.

(d) As a restraint on excessive demands for medical care under this section, uniform minimal charges may be imposed for outpatient care but such charges shall be limited to such amounts, if any, as may be established by the Secretary of Defense after consultation with the Secretary of Health, Education, and Welfare, under as special finding that such charges are necessary.

(e) Any amounts that are received in payment for subsistence and medical care rendered dependents in facilities of the uniformed services shall be deposited to the credit of the appropriation supporting the maintenance and operation of the facilities furnishing the care.

(f) Medical care under this section shall be limited to the following:

(1) Diagnosis;

(2) Treatment of acute medical and surgical conditions;

(3) Treatment of contagious diseases;

(4) Immunization; and

(5) Maternity and infant care.

(g) (1) Hospitalization under this section is not authorized dependents for domiciliary care.

(2) Hospitalization under this section is not authorized dependents for nervous and mental disorders, chronic diseases, or elective medical and surgical treatments, except that the Secretary of Defense, after consultation with the Secretary of Health, Education, and Welfare, by regulation, may provide in special and unusual cases for hospitalization of not to exceed 12 months for dependents for such disorders or such diseases, or for such treatments.

(h) Dependents shall not be provided under this section—

(1) prosthetic devices, hearing aids, orthopedic footwear, and spectacles, except that outside the continental limits of the United States and at remote stations within the continental limits of the United States where adequate civilian facilities are not available, those items, if available, from Government stocks, may be provided to dependents at prices representing invoice cost to the Government;

(2) ambulance service, except in acute emergency;

(3) home calls, except in special cases where it is determined by the medical officer or contract surgeon in charge, or his designee, to be medically necessary;

(4) dental care, except—

(A) emergency care to relieve pain and suffering but not to include any permanent restorative work or dental prosthesis;

(B) care as a necessary adjunct to medical or surgical treatment; and

(C) outside the continental limits of the United States, and in remote areas within the continental limits of the United States where adequate civilian dental facilities are not available.

TITLE II

SEC. 201. (a) In order to assure the availability of medical care for the spouses and children who are dependents of members of the uniformed services, the Secretary of Defense, after consultation with the Secretary of Health, Education, and Welfare, shall contract for medical care for such persons, pursuant to the provisions of this title, under such insurance, medical service, or health plan or plans as he deems appropriate, which plan or plans shall, subject to the provisions of section 204 hereof, include the following:

(1) Hospitalization in semiprivate accommodations up to 365 days for each admission, including all necessary services and supplies furnished by the hospital during inpatient confinement;

(2) Medical and surgical care incident to a period of hospitalization;

(3) Complete obstetrical and maternity service, including prenatal and postnatal care;

(4) Required services of a physician or surgeon prior to and following hospitalization for a bodily injury or for a surgical operation.

(5) Diagnostic tests and procedures, including laboratory and X-ray examinations, accomplished or recommended by a physician incident to hospitalization.

For each admission the plan shall also provide for payment by the patient of hospital expenses incurred under paragraph (1) hereof in the amount of either (1) $25 or (2) the charge established pursuant to section 103 (c) of this act multiplied by the number of days hospitalized, whichever is the greater.

(b) Subsection (a) shall be subject to such reasonable limitations, additions, exclusions, definitions, and related provisions as the Secretary of Defense, after consultation with the Secretary of Health, Education, and Welfare, may deem appropriate, except that medical care normally considered to be outpatient care shall not be authorized by this subsection.

(c) The dependents covered under this section may elect to receive medical care under the terms of this act in either the facilities of a uniformed service under the conditions specified in title I of this act or in the facilities provided for under such insurance, medical service, or health plan or plans as may be provided by the authority contained in this section, except that the right to such election may be limited under regulations prescribed by the Secretary of Defense, after consultation with the Secretary of Health, Education, and Welfare, for such dependents residing in areas where the member concerned is assigned and where adequate medical facilities of a uniformed service are available for such dependents.

SEC. 202. Any insurance, medical service, or health plan or plans which may be entered into by the Secretary of Defense with respect to medical care under the provisions of this act shall contain a provision for a review, and, if necessary, an adjustment of payments by the Secretary of Defense or Secretary of Health, Education, and Welfare not later than 120 days after the first year the plan or plans have been in effect and each year thereafter. Within 90 days after each such review, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and of the House of Representatives a report covering the payments made during the year reviewed, including any adjustment thereof.

SEC. 203. In order to effectuate the purposes of this title, the Secretary of Defense is authorized to establish insurance, medical service, and health plan advisory committees to advise, consult, and make recommendations to the Secretary of Defense, provided that the Secretary issues regulations setting forth the scope, procedures, and activities of such committees. These committees shall consist of the Secretary of Defense or his designee, who shall be chairman, and such other persons as the Secretary may appoint. Their members shall be, to the extent possible, representative of insurance, medical service, and health plan or plans, and shall serve without compensation but may be allowed transportation and per diem in lieu of subsistence and other expenses.

SEC. 204. The scope of medical care provided under this title shall not exceed the maximum care provided under title I of this act.

TITLE III

SEC. 301. (a) Medical and dental care in any medical facility of the uniformed services shall, under regulations prescribed jointly by the Secretaries of Defense and Health, Education, and Welfare, be furnished to all persons on active duty or active duty for training in the uniformed services.

(b) Medical and dental care in any medical facility of the uniformed services may, under regulations prescribed jointly by the Secretaries of Defense and Health, Education, and Welfare, be furnished upon request and subject to the availability of space, facilities, and capabilities of the medical staff, to retired members of the uniformed services.

(c) Medical care in any medical facility of the uniformed services may, under regulations prescribed jointly by the Secretaries of Defense and Health, Education, and Welfare, be furnished upon request and subject to the availability of space, facilities, and capabilities of the medical staff, to dependents of retired members of the uniformed services and dependents of persons who died while a retired member of a uniformed service, except that any such care furnished such dependents shall be limited to the care authorized dependents of members of the uniformed services under title I of this act.

(d) When a person receives inpatient medical or dental care pursuant to the provisions of this act in a facility of a uniformed service that is not the service of which he is a member or retired member, or that is not the service of the member or retired member upon whom he is dependent, the appropriation supporting the maintenance and operation of the medical facility furnishing the medical care shall be reimbursed at rates established by the Bureau of the Budget to reflect the average cost of providing such care.

SEC. 302. Commissioned officers and warrant officers, active and retired, shall pay an amount equal to the portion of the charge established under section 103 (c) of this act that is attributable to subsistence when hospitalized in a medical facility of a uniformed service. Retired enlisted personnel, including members of the Fleet Reserve and the Fleet Marine Corps Reserve, shall not be charged for subsistence when hospitalized in a medical facility of a uniformed service.

SEC. 303. Where a person who is covered under an insurance, medical service, or health plan or plans, as provided in this act, requires hospitalization beyond the period of time provided under such plan or plans, if such hospitalization is authorized in medical facilities of a uniformed service, such person may be transferred to a medical facility of a uniformed service for the continuation of such hospitalization. Where movement to such medical facility is not feasible, the expenses for such additional hospitalization required by such person in a civilian facility are authorized to be paid, subject to such regulations as the Secretary of Defense after consultation with the Secretary of Health, Education, and Welfare may prescribe.

SEC. 304. All determinations made under this act by the Secretary of Defense or the Secretary of Health, Education, and Welfare, with respect to dependency shall be conclusive for all purposes and shall not be subject to review in any court or by any accounting officer of the Government, except for cases involving fraud or gross negligence. Such determinations may at any time be reconsidered or modified on the basis of new evidence or for other good cause.

SEC. 305. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

SEC. 306. The following laws and parts of laws are hereby repealed:

(1) So much of the act of July 5, 1884 (ch. 217, 23 Stat. 107), as is contained in the proviso under the heading "Medical Departments";

(2) The act of May 10, 1943 (ch. 95, 57 Stat. 80), except section 4 of such act, and except that part of section 5 which relates to persons outside the naval service mentioned in section 4 of such act;

(3) Section 326 (b) of the Public Health Service Act, except as it relates to dependent members of families of ships' officers and members of crews of vessels of the Coast and Geodetic Survey;

(4) Section 710 (a) of the act of July 1, 1944 (ch. 373, 58 Stat. 714), as amended;

(5) Public Law 108, approved June 20, 1949, to the extent it authorizes hospital benefits for dependents of members of the reserve components of the Armed Forces;

(6) Section 207 of the act of June 25, 1938 (52 Stat. 1180).

SEC. 307. This act shall become effective 6 months after the date of its enactment.

Approved June 7, 1956.

Mr. KNOWLAND. Mr. President, my amendments will restore the full amounts by which the medicare funds were reduced in each of the military

services and will strike out the $60 million overall ceiling imposed for medical care in civilian facilities of dependents of servicemen.

The amount of medicare funds cut by the House and sustained by the Senate Appropriation Committee is as follows:

Army	$2,692,000
Navy	3,454,000
Air Force	4,100,000
Total	10,246,000

By restoring these amounts, the Senate would allow the original budget requests of $18,532,000 for the Army, $23,494,000 for the Navy, and $28,220,000 for the Air Force.

The budget requests for the military services totaled $70,246,000. Against that requirement, the Senate Appropriations Committee recommends a limitation of $60 million.

In its report the committee states it was "strongly of the conviction that service hospitals and medical and surgical facilities should be fully utilized by dependents of military personnel before they are permitted to charge the Government for medical service in nonmilitary facilities."

Mr. President, I have been a member of the Armed Services Committee for about 12 years, and I have great pride in the committee. It is a wonderful committee on which to serve. As my colleagues know, this is the last year of my service in the Senate.

But, Mr. President, I must say, respectfully—both to the Senate committee and to the House Appropriations Committee—that I do not believe the Appropriations Committees should, in fact, change the basic laws under which we are operating.

It seems to me that when a limitation of this kind is included in the bill, the effect is to amend the existing law.

I believe that the Appropriations Committee's Subcommittee on Department of Defense Appropriations has performed a very useful service in calling before it representatives of the Defense Department, including representatives of the Army, the Navy, and the Air Force, who deal with this subject matter, and in pointing out that there is a need to tighten up some of the regulations under which this program has been operated.

From all the testimony presented before our committee, I believe that the Defense Department will operate in good faith.

I wish to pay tribute to the distinguished Senator from Mississippi [Mr. STENNIS], who has followed this matter very carefully, and has pointed out to the committee the desirability and the necessity of imposing some limitations and of tightening up the procedure.

But it seems to me that if we allow this program to continue under this new regulation for an additional year, representatives of the Defense Department can then appear before the proper committee of Congress, which is the Armed Services Committee, and propose any amendments which they feel to be necessary.

Mr. President, I ask unanimous consent that the remainder of my remarks be printed in the RECORD at this point as a part of my statement.

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

STATEMENT BY SENATOR KNOWLAND

The committee report further states:

"It is not the intent of this legislation to work hardships on service personnel or their dependents. It is the belief of the committee that under proper policy procedures, as indicated, the limitation will not result in such."

I greatly fear that, despite the hopes and intent of the committee, the monetary reductions and the limitation will work hardships and difficulties. Even though I agree the medicare program can be tightened somewhat without hurting either the quality of medical care for dependents or the morale of our service families, I do not think this is the way to tighten it.

I think the testimony before the Defense Appropriations Subcommittee supports my position.

One witness, the executive director of the Dependents' Medical Care program, Maj. Gen. Paul I. Robinson, submitted a statement to the Senate subcommittee in which he indicated the funding requirement for fiscal 1958 would be about $90 million.

Furthermore, he declared the medicare program fund requirement for fiscal year 1959 would be about $91,500,000, if the program continues as it has been administered, with dependents given free choice as to military or civilian medical care.

The $60 million limitation recommended by the Senate Appropriations Committee would mean a one-third cut in the program. Mr. President, in my opinion, that is too drastic a reduction at this time.

Undoubtedly, the program will be tightened by the Department of Defense at the urging of the Senate committee. In fact, a Department of Defense-Department of Health, Education, and Welfare Committee is working on the precise terms of a directive which would require dependents residing on military reservations or in Wherry or Capehart housing to use local uniformed services medical facilities—subject to the availability of space, facilities, and to the capabilities of the medical staff.

A second feature of the coming directive will be to reduce the medical care coverage to dependents in civilian facilities by eliminating certain types of care now authorized.

Also under consideration by the interdepartmental committee is the question of increasing the dependents' share of civilian medical care costs as a means of persuading more of them to choose military medical facilities.

Thus, there is in process a live effort to keep the cost of dependents' medical care within reasonable limits while at the same time making better use of service facilities.

General Robinson told the subcommittee that, even with the restrictions the Secretary of Defense can place on the program, it will cost a good bit more than $70 million, possibly even as much as $80 million in fiscal year 1959.

Yet, despite this testimony, the subcommitttee refused to restore the $10,246,000 requested or to raise the $60 million ceiling.

In my judgment, the combination of $10 million in reduced appropriations and the $60 million limitation on obligations is too drastic to impose at this time when costs are clearly going beyond the limitation.

I would suggest that the program changes be put into effect and the results evaluated on the basis of experience in the coming year. This will give both the administrators and the beneficiaries an opportunity to adjust. Meanwhile, the full amount of funds requested for fiscal year 1959 should be approved because I am sure every cent will be needed.

Such drastic action as is proposed by the Senate committee will, in my opinion, have an adverse effect on the morale of our Armed Forces personnel. It will disrupt a program which, even in the brief time it has been in operation, has been working smoothly. It will probably not save a dime because the Department of Defense may have to ask for supplemental funds to meet obligations incurred under the contracts through which the program is administered.

In fiscal year 1958, for example, medicare bills ran higher in each of the services than the amount of appropriations allowed by Congress. In the case of the Army and the Air Force, these increased costs were absorbed by reprograming funds within their operations and maintenance accounts. Fiscal year 1958 appropriations for those accounts ran $3 billion and $4 billion, respectively, which give room to turn around.

But the Navy pays medicare bills out of an account called "Medical care, Navy" which for fiscal year 1958 totaled only $85 million. The Navy found itself unable to absorb the mounting medicare costs and therefore requested authority to transfer $8 million from the "ships and facilities" account to cover the bills for 1958. The House Appropriations Committee, however, viewed the situation as an apparent violation of the Antideficiency Act, and refused to approve the requested transfer. In acting on the supplemental appropriations bill, 1959, the House sustained the committee. The bill is now pending before the Senate Appropriations Committee.

Just as the services needed more money for medicare than originally estimated for fiscal year 1958, so a similar need is likely in fiscal year 1959. Because of the lag between the time medical care is given in civilian facilities and the presentation of the bills to the Defense Department for payment, there are many obligations already incurred under the unrestricted program in fiscal year 1958 and to date in fiscal year 1959 which will have to be paid out of fiscal year 1959 funds.

If these forecasts prove true, the Army, Navy, and Air Force will not have sufficient funds to pay all the medicare bills. Furthermore, if the $60 million limitation goes into effect, the Army and Air Force will be unable to reprogram their funds so as to meet the medicare obligations. The Navy will continue to be in a fiscal bind.

I think it is worthwhile to take the time of the Senate to review what Dr. Berry, Assistant Secretary of Defense for Health and Medical, told the subcommittee regarding a monetary limitation on obligations for dependents' medical care in civilian hospitals.

Dr. Berry said, and I quote:

"The imposition of any stipulated monetary limitation would create difficult administrative situations which would be far more costly than the present administration, and its implementation conceivably could not be effected in time to insure that such limitation would not be exceeded.

"To explain this difficulty, first of all, funds are obligated on contracts based upon the amount of medical care that will be paid for during any fiscal year by Blue Cross, Blue Shield, and insurance companies which are contractors under the program and not on the basis of when such care was obtained by dependents from civilian sources.

"Second, the actual amount of care which will be paid for is not known until such contractors have made payment and are reimbursed accordingly. Fund require-

ments are based on limited statistics due to the relatively short time the program has been in effect.

"Third, the cost of the program is currently controlled by stipulating the medical care payable by the Government and identifying that only spouses and children are eligible for such care. This control is not sufficient to assure that the cost of care will remain within any stated amount.

"Fourth, if a monetary limitation is specifically stipulated by Congress as to the amount of care that may be incurred from civilian sources, it would be incumbent upon the executive agent to modify the program so that the limitation will not be exceeded. This modification could be accomplished in two ways.

"First, a dependent requiring medical care would have to secure an estimate of the cost of such care and then obtain preauthorization from a Government agency. This would be most time consuming and complex and, in many cases, the care would be required before authorization could be effected."

Dr. Berry had this to say about such an alternative: It "undoubtedly" would affect morale in what he termed "an extremely adverse manner." Furthermore, he said, "such procedure would not conform to the traditional method of securing medical care, and it would not be adequate to provide for emergency care."

The second alternative Dr. Berry gave was that "the scope of care for which the Government would assume liability would have to be drastically curtailed, including a large safety factor, to assure that the limitation would not be exceeded."

In his opinion, the second alternative "would not conform to the spirit or intent of the law."

General Robinson told us effective control could best be achieved by insuring maximum use of available military hospital facilities by dependents living in Government quarters or by reducing the scope of medical care from civilian sources which will be authorized for payment by the Government if a lower dollar cost is desired.

General Robinson went into considerable detail to show the difficulties of operating under a fund limitation. Anyone who is interested can find his explanation on pages 594 and 595 of the printed hearings before the Senate subcommittee.

Spokesmen from the medical divisions of the Army, the Navy, and the Air Force, as well as from the Department of Defense, agreed the limitation would be very hard to live within. This is convincing testimony to me and testimony we ought to heed, in my judgment.

One of the reasons advanced for curtailing the dependents' medical care program is the claim that cost of dependents' care in civilian facilities runs twice as high in some cases as the cost in military facilities. The figures supportng this contention were submitted to the defense appropriations subcommittee during its hearings on the bill.

As I understand these figures, they represent costs per patient day for fiscal year 1957. For the Navy, this is shown as $16.24. For the Army, it is $26.42. For the Air Force, the cost is given as $24.64. For dependents' medical care in civilian facilities the cost of $45 is shown for fiscal 1957. Furthermore, it is stated that since fiscal year 1957, dependents' care in civilian facilities has risen to $50 a day, while costs in military hospitals have remained about the same as in 1957. In view of rising costs everywhere else in the Defense Department, it is difficult to believe that costs in military hospitals have remained stationary.

Another factor which casts doubt on the validity of these cost-per-patient-day figures is that apparently uniformed personnel are included as patients as well as dependents. Obviously, by allocating costs among a larger group, the cost per patient day would be lower.

In response to a letter from the chairman of the Senate Defense Appropriations Subcommittee, the senior Senator from New Mexico, the Bureau of the Budget attempted to compute comparable costs. Mr. Roger Stans, assistant director of the Budget Bureau, in a letter dated June 26, 1958, which appears on page 776 of the Senate subcommittee hearings, reported as follows. I quote excerpts:

"The average cost per patient day for care of all patients in military hospitals as routinely compiled by the military services is not indicative of the actual cost of care of dependent patents for two reasons.

"First, the dependents generally require more intensive care than do military patients.

"Second, the reported average cost reflects only direct expenses and omits many items which for budget or management purposes need not be included in our Federal cost reporting system."

The Bureau made a detailed analysis of th proration of direct operating costs between care of dependents and other patients at 14 representative military hospitals for fiscal year 1957. The Bureau also arrived at an average cost per patient-day of indirect costs for fiscal year 1957. Mr. Stans said in his letter there is "general agreement" by the Department of Defense that the items of indirect costs used are "proper items for inclusion in arriving at total patient-day cost."

Mr. Stans reported in his letter, and again I quote:

"The combined direct and indirect costs result in a total estimated patient-day cost for dependent care in fiscal year 1957 of $39.96. Of this amount, $34.46 represents the cost of hospital care and $5.50 approximates the cost of staff physician's services.

"To reflect current costs, it is necessary to add to this 1957 experience the increased operating expenses incurred in fiscal year 1958 plus the cost of the recently granted pay increases for military and civilian personnel. These items are estimated to be $2 and $1.71 per patient-day, respectively.

"The total current cost for care of dependents in military hospitals, therefore, is estimated to be $43.67; comprising $38.05 for hospital care and $5.62 for staff physician's services."

This estimate of $43.67 for the current cost of care of dependents in military hospitals is more nearly comparable to the $50 daily cost attributed to dependent care in civilian facilities. Thus, costs in civilian facilities for wives, husbands, and children of Armed Forces personnel are not so much out of line as we were at first led to believe.

Another reason advanced for curtailing dependents' medical care in civilian hospitals is that military hospitals are not being used to 100 percent capacity. In answer to that, I refer to the testimony before the Senate subcommittee, page 581:

Dr. Berry, assistant secretary of defense for health and medical, stated, "* * * during the past year the occupancy has averaged just about 70 to 71 percent."

And Major General Hays, Surgeon General of the Army, followed up by saying:

"Generally speaking, we consider that about 75 percent occupancy is pretty well filled. In other words, if a hospital is built, say with 500 beds or 300 beds, if it is occupied 75 percent, it is pretty well filled."

As a matter of fact, there was testimony that, prior to the medicare program, many of the service facilities for dependents' care were overcrowded.

For example, General Hays testified that after the medicare program went into effect, the Army experienced a drop off in patient load in obstetrics between 45 and 50 percent. At the same time, he pointed out, and I quote from page 583 of the printed hearings:

"Prior to our medicare program, many of our obstetrical facilities were overcrowded. We had to discharge mothers within 2 days after they had their babies; so some of this reduction was a welcome reduction, and was in the interest of the patients."

Major General McIlnay, Deputy Surgeon General of the Air Force, also testified, on page 590, that, in some of the dependent medical care services, military facilities were overloaded.

Surely, the Congress does not wish to return to such undesirable conditions.

The dependents' medical care program has been of great value as a morale booster in the short time it has been in effect. It is one of those fringe benefits the Congress has granted to make military service more attractive so that skilled men will remain in uniform and strengthen our Armed Forces. Judging from the response of service families in California, the medicare program is filling a real need.

Let us not summarily reduce the program by one-third. If the Congress wishes to change the medicare program, let us do it in an orderly, gradual way. Let us not act to damage the good will built up among service families by this laudable program.

Mr. KNOWLAND. Mr. President, I call attention to the fact that in the debate which took place on the bill during the year 1956—and I shall put the exact citation in the RECORD—it was pointed out by the distinguished Senator from Massachusetts [Mr. SALTONSTALL], the distinguished Senator from Georgia [Mr. RUSSELL], and other Senators who participated in the debate, precisely what the legislation would do. The bill was not passed on a mere perfunctory statement on a unanimous-consent call of the calendar, but there was widespread discussion on the floor of the Senate. I think everyone thoroughly understood what the proposed legislation was. I think we should give the law the opportunity to operate as the enabling legislation provided. Then if there is need to change the law, let the interested parties come before the committee and propose amendments to the basic act.

I was pleased when the Senator from New Mexico [Mr. CHAVEZ] indicated he would accept the amendments, so that the matter can be discussed with the House conferees. I think there should be a tightening up of the procedure, but I think the action taken by the House was so drastic that it would actually impose a great hardship on the dependents who have come to rely on the medicare program.

When I was in my own State of California, and this is true elsewhere in the country, a great number of service wives called on me and pointed out their concern that there might be a change in the program, and they referred to situations where there were not sufficient hospital facilities. I believe merely to make a drastic change at this time, without going through the normal legislative procedures, would not be in the interest of the morale of our Armed Forces, and would not be in conformity with good legislative practice.

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

Mr. KNOWLAND. I yield.

Mr. BARRETT. The Senator from California certainly is correct, and I agree with the statement he has made. I think States like Wyoming would be discriminated against because of the action taken by the other body. Families of servicemen living a long distance from military hospitals would be discriminated against, because it would be impossible for them to travel long distances to get to military hospitals. If they were not able to get treatment outside of military hospitals, they would not receive the benefits of the act at all. Unless the Senate conferees insist on this amendment, it seems to me there will be discrimination against a large percentage of the families of servicemen. Some of them will get the benefits of the act, and some of them will not. That in itself will be discrimination.

Mr. KNOWLAND. If the Senator will permit me to interrupt for a moment, for the information of the Senate I should like to point out that the discussion in regard to the Dependents' Medical Care Act took place in the Senate on May 14, 1956, as shown in the CONGRESSIONAL RECORD, volume 102, part 6, page 8042. The statements of the distinguished Senator from Georgia [Mr. RUSSELL], the distinguished Senator from Massachusetts [Mr. SALTONSTALL], the distinguished Senator from Minnesota [Mr. THYE], and other Senators who joined in the discussion at that time made very clear the legislative history and the fact that the bill had been rather fully discussed, unlike some legislation which is handled on the floor.

Mr. BARRETT. I thank the Senator from California. I hope the conferees will insist on the position which the Senate has taken.

Mr. KNOWLAND. I thank the Senator.

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

Mr. KNOWLAND. I yield to my good friend from Mississippi, who, I think, has performed a useful service in pointing out the need to relax some of the restrictions and to operate under the authority the law has provided.

Mr. STENNIS. I thank the Senator. The concern I had about this program arose from the fact that its operation in some places is tending to decrease the number of patients in the regular service hospitals, even to the extent that it is impairing the training program of doctors in the service.

The Senator knows, too, that the primary purpose of the bill was to provide hospital facilities for those away from and some distance removed from service hospitals. The Senator from California referred to constituents of his who said they were some distance removed from the location of the hospitals. The intent of the program was to reach those very persons, and the bill was passed primarily for that purpose. The effect of its operation now has been partly the other way. The program is being challenged, in part, in order that its original purpose may be carried out. I believe the consideration of this matter by the Appropriations Committee was a step in the right direction.

Mr. KNOWLAND. The statement of the Senator from Mississippi is correct, and it was also assumed facilities would be available. There are some cases where facilities are not available for dependents of servicemen, where a mother is about to give birth to a child, where a child may become ill during the night and facilities are not readily available. There may be a hospital there, but the hospital may not be able to take care of the dependent.

Mr. STENNIS. If the Senator will yield further, we want doubly to emphasize that the intent of the program was to take care of those persons who did not have access to medical care by the military services. Within those channels, I think it is a very fine program and should be encouraged in every way, and I know the Senator wishes to do so. However, when the program runs away, as its operations have in some areas, the Congress has a very positive duty to do something about it. I think the matter will have to be worked out in conference.

Mr. KNOWLAND. I think it will be. The matter should be reviewed, based on all the facts and figures which can be presented.

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

Mr. KNOWLAND. I yield to my friend from Louisiana.

Mr. ELLENDER. I am glad to say that I, along with the Senator from Mississippi [Mr. STENNIS] and other Senators, questioned Mr. Brucker about the medicare program. He actually admitted there was an abuse of the program. I should like to read from his testimony as it appears on page 69 of the hearings:

> Secretary BRUCKER. Let me give you an illustration of the correctness of what you say.
>
> Two weeks ago on Sunday I went through the hospital at Fort Ord. I checked from beginning to end. I found out that a third of that hospital could be used for these people that are going right by the doors and going out to the local hospitals and local doctors and there the spaces are and there the beds are and there the qualified very fine surgeons and people are.
>
> What we want to do, of course, is to see that civilian medical care is not procured unless we are not able to provide it in our service hospitals.

I wish to point out to the Senate that there was evidence presented to the House, as well as the Senate, that of the amount spent last year, $30 million could have been saved if only the regulations had been prepared and written as they have now been written.

As a result of the action taken by the House, the armed services have issued new regulations which provide, in effect, that wherever an adequate service facility exists, no medical care can be given to dependents of servicemen in privately owned hospitals.

After all, that is exactly what was intended by the legislation passed in 1956.

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

Mr. CHAVEZ. Mr. President, in order to further try to clear this situation up so far as medicare is concerned, I received, as chairman of the committee, of course, a statement from the Department, which I should like to read.

Pursuant to this authority, the Secretary of Defense has advised the Senate Appropriations Committee as follows:

> In order to meet the understood objectives of Congress at an early date, without having to administer the medicare program under a statutory limitation, it will be the policy of the Department of Defense that fuller utilization of uniformed services medical facilities will be emphasized, and the Defense Department will take the following actions, as appropriate, as being the most feasible in view of the manner in which the program is administered under the civilian contract.
>
> a. Direct Secretaries of the Army, Navy, and the Air Force to instruct commanders of posts, camps and stations to require dependents residing on reservations or in Wherry or in Capehart housing to use local uniformed services medical facilities subject to the availability of space, facilities, and to the capabilities of the medical staff.
>
> b. Reduce the medical care coverage to dependents in civilian facilities by eliminating certain types of care now authorized.
>
> c. Consider increasing the monetary liabilities of dependents for civilian medical care, thus influencing more of them to choose uniformed services medical facilities. This action may require a change in the basic statute.

In the event that the first two actions proposed by the Secretary of Defense prove to be inadequate, recommendations for amending the Dependent's Medical Care Act will be submitted to the Secretary.

In view of that statement, the chairman of the subcommittee will accept the amendments offered by the Senator from California and try to work the matter out in conference. Possibly we will have some further testimony.

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

Mr. CHAVEZ. I yield.

Mr. ELLENDER. The Senator, of course, knows that Mr. Brucker testified that the medicare regulations would be changed in order to conform to the suggestions made by members of the Defense Subcommittee.

Mr. CHAVEZ. The Senator is correct.

The PRESIDING OFFICER. The question is one agreeing to the amendments offered by the Senator from California, which, without objection, will be acted on en bloc.

The amendments were agreed to.

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

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

The bill was read the third time.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The bill having been read the third time, the question is, Shall it pass?

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Florida [Mr. HOLLAND], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Florida [Mr. SMATHERS], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

The Senator from Oklahoma [Mr. MONRONEY] is absent on official business attending the Interparliamentary Union as a delegate representing the Senate at Rio de Janerio, Brazil.

The Senator from Arkansas [Mr. MCCLELLAN] is absent because of a death in his family.

I further announce that, if present, and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Florida [Mr. HOLLAND], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Florida [Mr. SMATHERS], and the Senator from Texas [Mr. YARBOROUGH] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from South Dakota [Mr. CASE] and the Senator from West Virginia [Mr. HOBLITZELL] are absent because of official business, having been appointed by the Vice President to attend the 49th Congress of the Interparliamentary Union in Rio de Janeiro.

The Senator from Nebraska [Mr. CURTIS], the Senator from New York [Mr. IVES], the Senator from Maine [Mr. PAYNE], and the Senator from Utah [Mr. WATKINS] are necessarily absent.

The Senator from Connecticut [Mr. PURTELL] is absent by leave of the Senate because of death in his family.

If present and voting, the Senator from South Dakota [Mr. CASE], the Senator from Nebraska [Mr. CURTIS], the Senator from West Virginia [Mr. HOBLITZELL], the Senator from New York [Mr. IVES], the Senator from Maine [Mr. PAYNE], and the Senator from Utah [Mr. WATKINS] would each vote "yea."

The Senator from Maryland [Mr. BEALL], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from North Dakota [Mr. YOUNG] are detained on official business, and, if each were present and voting, would vote "yea."

The result was announced—yeas 71, nays 0, as follows:

YEAS—71

Aiken	Green	Martin, Pa.
Allott	Hayden	McNamara
Barrett	Hickenlooper	Morton
Bennett	Hill	Mundt
Bible	Hruska	Neuberger
Bricker	Humphrey	Pastore
Bush	Jackson	Potter
Butler	Javits	Proxmire
Capehart	Jenner	Revercomb
Carlson	Johnson, Tex.	Robertson
Carroll	Johnston, S. C.	Russell
Case, N. J	Jordan	Saltonstall
Chavez	Kefauver	Schoeppel
Church	Kennedy	Smith, Maine
Clark	Kerr	Smith, N. J.
Cooper	Knowland	Sparkman
Cotton	Kuchel	Stennis
Dirksen	Langer	Symington
Douglas	Lausche	Talmadge
Dworshak	Long	Thurmond
Eastland	Magnuson	Thye
Ellender	Malone	Wiley
Ervin	Mansfield	Williams
Frear	Martin, Iowa	

NAYS—0

NOT VOTING—25

Anderson	Gore	O'Mahoney
Beall	Hennings	Payne
Bridges	Hoblitzell	Purtell
Byrd	Holland	Smathers
Case, S. Dak.	Ives	Watkins
Curtis	McClellan	Yarborough
Flanders	Monroney	Young
Fulbright	Morse	
Goldwater	Murray	

So the bill (H. R. 12738) was passed.

Mr. CHAVEZ. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. JOHNSON of Texas. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHAVEZ. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

Mr. JOHNSON of Texas. Mr. President, before action is completed on the bill, I wish to make a brief statement.

The Senate and the United States of America owe a great debt of gratitude to the senior Senator from New Mexico [Mr. CHAVEZ]. He has piloted the biggest appropriation bill which has been agreed to this year. As every Member of the Senate knows, the Department of Defense appropriation bill is extremely complicated. It has taken hard work to prepare a $40 billion appropriation bill to provide for the Nation's defense.

Before final action is taken on the bill, I wish to salute the senior Senator from New Mexico [Mr. CHAVEZ] and all the other members of the Subcommittee on Defense Appropriations for a job which I consider to be well done.

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

Mr. JOHNSON of Texas. I yield.

Mr. MANSFIELD. I join in what the distinguished majority leader has said about the chairman of the subcommittee which has reported a bill that is now on the verge of receiving its final action.

No one knows better than do the Members of this body how hard the senior Senator from New Mexico has worked over the weeks and months of this year. I think he is due the thanks not only of those who worked with him on the committee, not only of the Members of the Senate, but also the thanks of the country as a whole. He has done his work nobly and well. He has shown great patience, understanding, and integrity.

By the same token, the ranking Republican member of the subcommittee, the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL], likewise has performed capably and well, and has been patient and understanding. He has helped to report a bill which we can all accept in good faith.

Mr. JOHNSON of Texas. Mr. President, I associate myself with everything which the deputy leader has said about the senior Senator from Massachusetts. I heartily concur in what the Senator from Montana has said. I agree that the senior Senator from Massachusetts is one of the ablest and genuinely sincere Members of this body.

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

Mr. JOHNSON of Texas. I yield.

Mr. PASTORE. I associate myself with the encomiums which have been paid to the distinguished senior Senator from New Mexico [Mr. CHAVEZ] and the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL].

It is now my privilege to serve on the Committee on Appropriations. In that capacity I have come to know the devotion to duty on the part of those two distinguished Americans; the conscientious approach to their responsibility; the meticulous way in which they scrutinize and analyze each of the items which are contained in this very complex appropriation bill which has to do with the defense of the Nation and the freedom of the world.

I bespeak for them the gratitude of all the people of the United States and, indeed, the people of the Free World, who tonight can rest assured that we are prepared in military fashion to stop any action on the part of any aggressor.

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

Mr. JOHNSON of Texas. I yield.

Mr. MAGNUSON. I had intended to say what my friend, the distinguished Senator from Rhode Island [Mr. PASTORE], has said. But he has said it so well.

Of course, no one has greater admiration for the Senator from Massachusetts [Mr. SALTONSTALL] than I have. We have had some disagreements, but most of the time we have tried to dedicate ourselves to the problem before us in the complex matter of appropriations.

Mr. JOHNSON of Texas. Does the Senator from Washington know of anyone in the Senate who does not have great admiration for the Senator from Massachusetts [Mr. SALTONSTALL]?

Mr. MAGNUSON. No; I do not.

I think that the compliments which have been paid to the senior Senator from New Mexico for his devotion to this defense bill are merited for another reason. There were some compelling reasons why the Senator from New Mexico should have been in New Mexico during the past few weeks. I shall not mention those reasons, but they were

compelling. But he felt that he had been elected to the United States Senate to do his work here not only as a Senator from New Mexico, but also as a senior member of the Committee on Appropriations.

I think this bill is living proof of what he has done. I wish him well in New Mexico after this session has ended.

Mr. CHAVEZ. All I can say is: "Thanks from the bottom of my heart." If I have succeeded, it is because of the outstanding cooperation I have received from every member of the Committee on Appropriations.

Mr. JOHNSON of Texas. No Member of this body could bring up in the middle of the afternoon a bill which appropriates $40 billion and have it passed by 9 o'clock in the evening, unless he had the confidence of Senators on both sides of the aisle.

I reiterate what I have already said: This is a great tribute to the energy, diligence, and intelligence of the senior Senator from New Mexico. I am proud that he is a member of my party.

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

Mr. JOHNSON of Texas. I yield.

Mr. HUMPHREY. I join in the many fine statements which have been made in respect to the fine and wonderful service of the Senator from New Mexico and the Senator from Massachusetts. I think Congress is mighty fortunate to have among its Members these two dedicated patriots and able Senators who have handled this exceedingly complicated piece of proposed legislation. I stated this earlier to the Senator from New Mexico, but I certainly want to say again that this is a project which requires teamwork; and this is a mighty good team.

Mr. JOHNSON of Texas. I am very proud that I serve in the Senate with a man like the Senator from Minnesota, who is a team player.

Mr. HUMPHREY. I thank the Senator from Texas.

Mr. NEUBERGER. Mr. President, since I am not a member of the Committee on Appropriations, I do not speak with the firsthand knowledge of the Senators who have already spoken. But $40 billion is a sum which I cannot fathom. Indeed, there are times in the month when I cannot fathom the sum of $40.

So when I vote for a bill which appropriates $40 billion in funds which come from the taxpayers of the country, I want to have confidence in the persons who handle the bill.

I have confidence in the senior Senator from New Mexico and the senior Senator from Massachusetts.

I have the privilege of serving on the Committee on Public Works under the leadership of the Senator from New Mexico. I do not know of any other Member of this body who is more intimately familiar with the great water resources of our Nation and of their urgent needs than is the Senator from New Mexico.

Mr. SALTONSTALL. Mr. President, like the Senator from New Mexico, I appreciate very much what has been said. I can truthfully say that we have worked hard under the leadership of the Senator from New Mexico. I hope the bill will give our country the defense we believe it will.

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

The motion was agreed to; and the Presiding Officer appointed Mr. CHAVEZ, Mr. HAYDEN, Mr. RUSSELL, Mr. HILL, Mr. ELLENDER, Mr. BYRD, Mr. SALTONSTALL, Mr. BRIDGES, Mr. YOUNG, Mr. KNOWLAND, and Mr. FLANDERS conferees on the part of the Senate.

LEASING OF PAPAGO TRIBAL LAND TO THE NATIONAL SCIENCE FOUNDATION

Mr. JOHNSON of Texas. Mr. President, I move the Senate proceed to the consideration of Calendar No. 2057, Senate bill 4167.

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

The LEGISLATIVE CLERK. A bill (S. 4167) to authorize the lease of Papago tribal land to the National Science Foundation, and for other purposes.

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

The motion was agreed to; and the Senate proceeded to consider the bill.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I announce that the Senate expects to consider at an early date, perhaps tomorrow, Calendar No. 1651, S. 921, the so-called freedom-of-information bill, reported by the Senator from Missouri [Mr. HENNINGS].

Calendar No. 1459, H. R. 4640, to amend the Civil Service Retirement Act with respect to payments from voluntary contributions accounts.

Calendar No. 1976, H. R. 9196, to authorize the construction of a nuclear-powered icebreaking vessel for operation by the United States Coast Guard, and for other purposes.

There may be other bills which have not been listed, but which could be called up tomorrow.

I hope it will be possible to avoid holding a Saturday session.

PROPOSED INCREASE IN SOCIAL SECURITY BENEFITS

Mr. PROXMIRE. Mr. President, yesterday the Rules Committee of the House of Representatives cleared the way for action in the other House on a bill to increase social security benefits.

This action gives real hope to the 11 million Americans who receive social security benefits. It was an act of humanity and conscience. The majority of the House Ways and Means Committee which initially approved this bill, and of the Rules Committee deserve a world of credit. It is now clear that we can expect that this bill will quickly pass the House and be reported to the Senate for consideration.

This means that the fate of this bill is about to be placed squarely up to the 96 Senators who compose this body. I think that this is the time to warn my colleagues that the bill faces an extremely difficult parliamentary situation. In fact, it will take an all-out fight, perhaps a parliamentary as well as a floor fight, if the bill is to be passed at this session. The fact is that we are in the closing weeks of the session. Already a number of extremely important financial measures are pending before this body. Under these circumstances, it will require the most earnest effort from all Senators supporting social security improvement to secure passage of this legislation now.

Mr. President, this legislation is needed urgently. Today the maximum possible social security benefit for a retired couple is $163 a month. This comes to $41 a week which is scarcely enough to provide the standard of living a retired man and wife deserve to enjoy in this the richest country in the world. Let me emphasize this is the most a couple may receive. Clearly this is not enough to meet even the normal and necessary costs of adequate food, clothing, and shelter at today's prices. It is certainly not enough to pay the additional costs of treating the illnesses and infirmities which so often accompany old age.

Mr. President, I have recently received a letter from a woman in Sheboygan Falls, Wis., which is an excellent example of the tragic plight of millions of Americans who have nothing but their small social security benefits to live on. This woman and her husband have no water in their house, and no inside toilet facilities. They can seldom eat meat because it costs too much.

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

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

Senator WILLIAM PROXMIRE,
Washington, D. C.

DEAR FRIEND: I received a letter from you yesterday that they want to raise the social security. I only hope they will, because every month we run short. My husband is sick of heart dropsy and we have a lot of doctor bills. He has to have a shot every week from the doctor, and pills. They are sure high. He hasn't been able to work for 5 years because he is sick. He is 71 years old and we have no income. We only have two rooms, with no water in the house, and no toilet, only outside. He was in the hospital a couple of times, too. Eats are so high we just buy what we need. We hardly eat meat because it costs too much. I am 66 years old and I have just enough to buy clothes. I have to save every cent to pay the taxes and the fuel oil. We are both American citizens.

WOMAN FROM SHEBOYGAN FALLS.

Mr. PROXMIRE. Mr. President, I sincerely hope the Senate will follow the example of the House and will give prompt consideration to the bill.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House

insisted upon its amendments to the bill (S. 3651) to make equity capital and long-term credit more readily available for small-business concerns, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr. RAINS, Mr. KILBURN, Mr. MCDONOUGH, and Mr. WIDNALL were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3778) to amend the Interstate Commerce Act, as amended, so as to strengthen and improve the national transportation system, and for other purposes.

ENROLLED BILLS SIGNED

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

S. 488. An act for the relief of Eva S. Winder;

S. 616. An act for the relief of Blanca G. Hidalgo;

S. 1879. An act for the relief of Casey Jimenez;

S. 1987. An act for the relief of Richard K. Lim and Margaret K. Lim;

S. 2511. An act for the relief of Maria Garcia Aliaga;

S. 2691. An act for the relief of Hiroko Ozaki;

S. 2860. An act for the relief of Miss Susana Clara Magalona;

S. 2933. An act to extend the life of the Alaska International Rail and Highway Commission and to increase its authorization;

S. 3007. An act for the relief of Katina Leckas and Argery Leckas;

S. 3053. An act to authorize the Secretary of the Army to convey certain real property at Demopolis lock and dam project, Alabama, to the heirs of the former owner;

S. 3060. An act for the relief of Romula A. Manriquez;

S. 3129. An act for the relief of Natividade Agrela Dos Santos;

S. 3136. An act for the relief of Fouda (Fred) Kassis;

S. 3186. An act to extend for 1 year certain programs established under the Domestic Tungsten, Asbestos, Fluorspar, and Columbium-Tantalum Production and Purchase Act of 1956;

S. 3557. An act to amend the International Claims Settlement Act of 1949, as amended (64 Stat. 12);

S. 4165. An act to amend the Atomic Energy Act of 1954, as amended; and

H. R. 11574. An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1959, and for other purposes.

ADJOURNMENT TO 11 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, if no other Senators desire to address the Senate, I move, pursuant to the order previously entered, that the Senate adjourn until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 8 o'clock and 59 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Thursday, July 31, 1958, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 30, 1958:

UNITED NATIONS

The following-named persons to be representatives of the United States of America to the 13th session of the General Assembly of the United Nations, to serve no longer than December 31, 1958:

Henry Cabot Lodge, of Massachusetts.

Michael J. Mansfield, United States Senator from the State of Montana.

Bourke B. Hickenlooper, United States Senator from the State of Iowa.

Herman Phleger, of California.

George McGregor Harrison, of Ohio.

The following-named persons to be alternate representatives of the United States of America to the 13th session of the General Assembly of the United Nations, to serve no longer than December 31, 1958:

James J. Wadsworth, of New York.

Miss Marian Anderson, of Connecticut.

Watson W. Wise, of Texas.

Mrs. Oswald B. Lord, of New York.

Irving Salomon, of California.

POSTMASTERS

ARIZONA

Pauline R. Hollamon, Camp Verde.
Retta A. Thompson, Queen Creek.

ARKANSAS

Mary A. Nanney, Greenway.
Robert M. Buford, Ola.

FLORIDA

Minty S. Warren, Fern Park.
May R. Duggan, Oakland.

HAWAII

Thomas M. Shigeta, Halaula.
Shinobu Morimoto, Pepeekeo.

ILLINOIS

Fred H. Blatt, Jr., Elwood.
Floyd T. Huddleston, Hurst.

INDIANA

John E. McMahan, Liberty.
Arno J. Kuhn, Waldron.

IOWA

Joseph B. Wells, Boone.
Pearl M. Smith, Lakota.
Phineas D. Varnum, Malcom.
Orville J. Schoening, Primghar.
Garret Spykerman, Sanborn.

KANSAS

Robert G. Naylor, Burlington.
Dale LeRoy Duncan, Manhattan.
Paul R. Shahan, Marion.
Mary L. Halstead, Olpe.
Ernest C. Balay, Wichita.
Lloyd E. Herder, Yates Center.

KENTUCKY

James Elmo Hankins, Frankfort.

LOUISIANA

Ivy M. Lytton, Gilliam.
Warren Pierrotti, Mamou.

MINNESOTA

Marie J. Steffen, Beaver Bay.
Orlin A. Ofstad, Orr.
Kenneth L. Lutner, Reading.
Ward C. Ilse, Virginia.

MISSISSIPPI

Maxie A. Grozinger, Crowder.
James Hugh Stone, Gulfport.
Hobert Riley, Jr., Pattison.
George W. Benson, Webb.

MISSOURI

Kenneth C. James, Gravois Mills.
Wilhelmine E. Jacobi, Martinsburg.
Willard H. Dowden, Pickering.
Dorris G. Hammond, Weaubleau.

NEBRASKA

Fred E. Feagins, Alliance.

NEW MEXICO

Geronimo B. Fajardo, Hatch.
Earl M. Jacobi, State College.
Richard L. Miller, Tijeras.

NEW YORK

Fred J. Mack, East Durham.
John M. Comstock, Glenmont.
Philip Pampinella, Highland.
Edwin Francis DeHoff, Lake Katrine.
Mary Eva Loomis, Smithville Flats.

NORTH CAROLINA

Lewis N. Cooper, Cameron.
Dennis G. Clifton, Lumber Bridge.
Wilton McRae, Maxton.
Marion H. Boyles, Pinnacle.
Gene R. Irwin, Sparta.

OHIO

Frank B. Mason, Jr., Andover.
Richard M. Lauber, Archbold.
Horace M. Barrett, Bainbridge.
Arthur E. Hill, Batavia.
Marie R. Taylor, Bloomingdale.
Quindo A. Belloni, Brewster.
Joseph Harry Andrus, East Palestine.
George Schneider, Gahanna.
Lloyd Benton Secrest, Galion.
Robert E. Nelson, Greensburg.
Paul E. Foster, Greenwich.
Eldon G. Roswurm, Huron.
Bernice L. Hardesty, Marengo.
Ruth E. Stanforth, Martinsville.
Roger W. McCullough, New Carlisle.
Harry H. Deardorff, Uniontown.
Charles V. Lashley, Wellington.
John A. Fodor, Westlake.

OREGON

Allan T. Ettinger, Brookings.
Wayne F. Ball, Huntington.

PENNSYLVANIA

Ruby H. Briner, Acme.
Eugene Linton Sohn, Ambridge.
Robert D. Alexander, Jr., Delmont.
Clifford C. Mills, Freeland.
Phyllis E. Mackall, Georgetown.
Leo G. Plank, Liberty.
Mary A. Boyd, Mount Braddock.
Dorothy H. Bowers, Mount Morris.
Julia M. McCluskey, New Bedford.
Robert J. Mann, Picture Rocks.
Charles S. Borem, Sewickley.
John S. Carrier, Summerville.
Harold Hedrick, Telford.
Robert W. Kramer, Valencia.

PUERTO RICO

Manuel F. Varela, San Juan.

TENNESSEE

Alfred Benford Justice, Greeneville.

TEXAS

John C. Sumner, Itasca.
Vernon L. Naul, Overton.

WASHINGTON

Alfred D. Munson, Grandview.
Loucille I. Mullen, Prescott.
Eugene C. Weber, Walla Walla.

WEST VIRGINIA

Jay B. Graham, Buckeye.
Ray Merrifield, Smithfield.

WISCONSIN

Thomas E. Brooks, Butler.
Claude J. Weber, Chilton.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JULY 30, 1958

The House met at 12 o'clock noon.

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

Psalm 34:4: *"I sought the Lord, and He heard me, and delivered me from all my fears."*

Eternal God, our Father, whose grace and goodness hallow all our days, bless the Members of Congress as they again come to the sacrament of public service.

Grant that all our leaders in the affairs of government may be distinguished by that righteousness of character and conduct which exalts a nation.

We humbly acknowledge that it is becoming increasingly clear that we cannot meet and master our problems unless Thou dost illumine and direct us by Thy spirit.

May each new day be prophetic of a radiant tomorrow as we strive together in the great moral and spiritual enterprise of achieving blessedness for all mankind.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on July 29, 1958, the President approved and signed a bill of the House of the following title:

On July 29, 1958:

H. R. 12575. An act to provide for research into problems of flight within and outside the earth's atmosphere, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 672. Joint resolution amending a joint resolution making temporary appropriations for the fiscal year 1959, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2989. An act for the relief of Salvador Miranda; and

S. 4100. An act to provide for the increased use of agricultural products for industrial purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8308. An act to establish the use of humane methods of slaughter of livestock as a policy of the United States, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 2511. An act for the relief of Maria Garcia Aliaga;

S. 3007. An act for the relief of Katina Leckas and Argery Leckas;

S. 3060. An act for the relief of Romulo A. Manriquez; and

S. 3129. An act for the relief of Natividade Agrela Dos Santos.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1411) entitled "An act to amend the act of August 26, 1950, relating to the suspension of employment of civilian personnel of the United States in the interest of national security," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSTON of South Carolina, Mr. CHURCH, Mr. CLARK, Mr. MARTIN of Iowa, and Mr. MORTON to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 3651) entitled "An act to make equity capital and long-term credit more readily available for small business concerns, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. FULBRIGHT, Mr. SPARKMAN, Mr. CLARK, Mr. PROXMIRE, Mr. CAPEHART, Mr. BRICKER, and Mr. BENNETT to be the conferees on the part of the Senate.

SUSPENSION OF EMPLOYMENT OF CIVILIAN PERSONNEL

Mr. MURRAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1411) to amend the act of August 26, 1950, relating to the suspension of employment of civilian personnel of the United States in the interest of national security, with a House amendment thereto, insist on the House amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. MURRAY, MORRISON, DAVIS of Georgia, REES of Kansas, and CORBETT.

AMENDMENT OF SECTIONS 1461 AND 1462 OF TITLE 18, UNITED STATES CODE

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6239) to amend sections 1461 and 1462 of title 18 of the United States Code, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. WALTER, FEIGHAN, CHELF, HILLINGS, and HYDE.

Mr. AVERY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HILLINGS] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. HILLINGS. Mr. Speaker, I rise to join the distinguished gentleman from Pennsylvania [Mr. WALTER] in his effort to strike the language placed in H. R. 6239 by the other body, without debate, on motion of the Senator from Tennessee [Mr. KEFAUVER], and perhaps without due consideration on the part of many distinguished Senators who are sincerely interested in the difficult problem of attempting to legislate obscenity out of the mails.

It is my opinion that the original language of the bill which was written by our committee, and which was approved by the House, was and is superior to the language which has been substituted therefor by the other body. Specifically, the Senate has added language which would purport to stop smut from being delivered through the mails to persons under the age of 19, by outwardly making this a criminal penalty. This language appears desirable, for as I have pointed out time and again during the long period that we were holding hearings and working up the original House bill on this subject, the primary objection to permitting the free flow of obscenity through the mails lies in the fact that the preponderance of this obscene matter is delivered to boys and girls who are under age, whose minds are susceptible, and who receive this vile material without the consent—and in many instances without even the knowledge—of their parents or guardians.

My objection to the Senate amendment stems from the fact that the amendment would be very likely to be held unconstitutional upon judicial review if the language were enacted into law. We must always remember that in attempting to eradicate smut from the mails, we must not go so far that we enact unconstitutional legislation or legislation which would impose undue censorship upon the legitimate rights of the American people. It appears obvious to me that this bill as originally passed by the House was sound, and that the language that the other body has added is unsound in that it goes overboard and risks loss of the very purpose of the bill.

Mr. Speaker, the question of venue usually seems to be somewhat of an esoteric legal matter about which laymen are confused. The term "venue," speaking philologically, stems from the Latin visnetum, meaning neighborhood. Thus, venue is a question of neighborhood—the neighborhood in which a crime is alleged to have been committed, and is therefore to be prosecuted.

As H. R. 6239 passed the House, broad venue was established for the mailer of smut. He could be prosecuted in the Federal district in which he mailed the obscenity, in the Federal district in which the obscenity was received, or in any Federal district through which the

obscenity passed while it was on its route through the mails. Thus, wherever sufficient and legally admissible evidence could be gathered, there the purveyor could be prosecuted. The practical advantages to such a law appear obvious to all of us, particularly if we bear in mind that most of these smut dealers are fly-by-night operators, here today, gone tomorrow, disappearing as fast as they appear, changing their names as rapidly as a chameleon changes its colors, and hence, difficult to track down.

But, Mr. Speaker, as H. R. 6239 was torpedoed in the Senate, the broadened venue provision is absent. If insufficient evidence could be gathered to support a prosecution in the Federal district of mailing or receipt, or if an overworked grand jury could not attend to the matter in time, or if for any other reason an indictment and prosecution could not be speedily secured in one of those Federal districts, the smut dealer would be perfectly free to continue his operations, notwithstanding that other evidence in another Federal district might be readily available to support an indictment and prosecution. Furthermore, the absence of a criminal penalty applicable to carriage of the mails introduces the possibility of doubt that deposit, carriage, and delivery of the mails are one continuous offense.

Thus, Mr. Speaker, it is clear that the venue provisions of our bill, which the Senate struck out completely, are of great significance. I hope my colleagues who are not lawyers will understand the basis for my concern, and will not think I am merely attempting to be legalistic or pedantic.

Mr. Speaker, on July 27, 1956, I first introduced House Resolution 652, 84th Congress, 2d session, to create a select committee "to conduct a full and complete investigation and study (1) to determine the extent to which pornographic materials are being furnished to members of the armed services of the United States; (2) to determine the extent to which pornographic materials are being imported into the United States from foreign countries; (3) to determine the extent of traffic of pornographic materials through the United States mails and by other transportation methods; (4) to determine the adequacy of existing laws to prevent publication, dissemination and distribution of pornographic materials; (5) to make such recommendations as the select committee shall deem advisable, and (6) to prepare such legislation as may be considered appropriate to carry out such recommendations."

On January 3, 1957, I reintroduced my resolution as House Resolution 38, 85th Congress, 1st session. From these resolutions, and from the efforts of some of my colleagues, there developed several bills which were referred to Subcommittee No. 1, Committee on the Judiciary, upon which I served as the senior Republican member. The testimony which we held proved conclusively that tremendous amounts of pornography are being daily transmitted through the mails, directed mostly to boys and girls whose young minds must inevitably be corrupted as a result of their regularly reading and viewing such vile material.

Mr. Speaker, on several occasions I have gone down to the Post Office Department, and I have talked about this growing problem with the General Counsel and with attorneys and investigators on the headquarters staff of the Post Office Department. I can tell you now, Mr. Speaker, that as the father of three children I could not be more indignant when I peruse such obscenity, and I may say, as one who has served in the Army and who has traveled over a good part of the world, that I have never seen anything more shocking than some of the pictures and motion pictures which the General Counsel of the Post Office Department has shown to me.

It is no wonder, Mr. Speaker, that church groups, civic associations, and private citizens from all over California and some other States have communicated with me in support of our efforts to curb the flow of obscenity in the mails. I take pride in pointing out that Post Office Department personnel, under Postmaster General Summerfield's leadership, are strongly behind these efforts. As an example of these cooperative efforts let me read a resolution which was passed by chapter 4 of the National Association of Postmasters, representing postmasters in Santa Barbara, Ventura, Los Angeles, Imperial, Orange, Riverside, San Bernardino, and San Diego Counties of California:

Whereas the National Association of Postmasters of the United States has officially requested the Congress of the United States to take the strongest possible action against the growing evil of obscene mail in the country; and

Whereas Congressman PATRICK J. HILLINGS, of Arcadia, the only Californian on the House Judiciary Committee, has courageously led the fight in his committee to develop legislation to wipe out this cancerous growth from our society; there be it

Resolved, That we members of California Chapter No. 4, National Association of Postmasters, heartily commend and congratulate Congressman HILLINGS on his efforts to preserve the morals of our citizens of tomorrow by stamping out the flow of obscenity in the United States mails.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may be permitted to sit during the session of the House during general debate today.

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

There was no objection.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit this afternoon during general debate.

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

There was no objection.

LEGISLATIVE PROGRAM FOR TODAY

Mr. McCORMACK. 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 Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I desire to make a brief announcement, that the bill H. R. 9020, relating to the Packers and Stockyards Act, will not come up today, inasmuch as the gentleman from North Carolina [Mr. COOLEY] has to be away because of the illness of his wife.

Mr. MARTIN. Can the gentleman tell us when the bill will come up?

Mr. McCORMACK. It is not coming up this week. I cannot promise when I will program it again, but I will try to program it before the end of the session.

CONTINENTAL HOSIERY MILLS, INC.—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 428)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 4229, entitled "An act for the relief of Continental Hosiery Mills, Inc., of Henderson, N. C., successor to Continental Hosiery Co., of Henderson, N. C."

The bill would direct the Secretary of the Treasury to pay the sum of $21,670.11 to Continental Hosiery Mills, Inc., of Henderson, N. C., successor to Continental Hosiery Co., of Henderson, N. C., in full settlement of all claims against the United States. The bill states that this sum represents a refund of income tax erroneously collected from said corporation on April 19, 1947, by the Bureau of Internal Revenue.

An examination by the Treasury Department discloses that the amount here involved resulted from deficiencies in income and excess profits taxes for the taxable years ending April 30, 1942, through April 30, 1945, arising from the disallowance of excessive salaries to the president and to the vice president and treasurer of the corporation. The taxpayer, after a conference with a representative of the Internal Revenue Service at which the taxpayer was represented by one of its principal officers and by an attorney and an accountant, executed a waiver of restrictions on assessment and collection of these deficiencies on October 3, 1946. Thereafter, the taxes were assessed and were paid in 1947.

Several years later, during 1952, the taxpayer requested a reopening of the case but this request was denied by the Internal Revenue Service because the

period of limitations for claiming a refund had expired in 1949, 2 years after the taxes were paid.

The taxpayer now appears to rely upon the fact that, in 1943, it had obtained the approval of the Salary Stabilization Unit of the Treasury Department concerning its compensation arrangement with its officers, which was based upon a percentage of the taxpayer's profits. This fact, which presumably was known to the taxpayer in 1947 when the taxes were paid, was not raised by the taxpayer in any appeal either within the Internal Revenue Service or to the courts within the statutory period of limitations. The record in this case discloses no special circumstances justifying the taxpayer's failure to appeal this matter until 5 years after the tax was paid at which time the expiration of the period of limitations prevented any redetermination of its tax liabilities for the years in question.

The granting of special relief in this case, where a refund was not claimed in the time and manner required by law, would constitute a discrimination against others similarly situated and would create an undesirable precedent.

Under the circumstances, therefore, I am constrained to withhold my approval of the bill.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *July 30, 1958.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Without objection, the bill and message and accompanying papers are referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

DISTRICT OF COLUMBIA TAXICAB INSURANCE ACT OF 1958

The SPEAKER. The unfinished business is the question on the passage of the bill, H. R. 13531, to amend the act of June 29, 1938, as amended, to increase the insurance coverage required to be carried by cabs for hire in the District of Columbia for the protection of passengers and others, and for other purposes, which the Clerk will report by title.

The Clerk read the title of the bill.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

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

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

There was no objection.

Mr. EVINS. Mr. Speaker, when I arose on Monday, last, in connection with the bill just passed to increase insurance for taxicabs, I did so as a matter of information. Members of the committee were unable to provide information at the time, which to me seemed pertinent and important in consideration of the bill. I have, subsequently, carefully examined the hearings on this legislation, and although extensive hearings were held on the overall problems relating to taxicabs in the District of Columbia, very little time was devoted specifically to the insurance problem.

With respect to information relating to insurance obtained by the committee I have found that our colleague, Congressman TEAGUE, on several occasions requested and sought the very information which I had requested, but the committee was unable to secure this information; namely, the cost of insurance under the present law and the increased cost and payments to the insurance companies that would result from the pending legislation.

It seems to me that a knowledge of the cost and rates is certainly pertinent. Especially so since I find that insurance in this field is not competitive. The major taxicab fleets here in the District carry their own insurance as self-insurers. One other company, namely, the Amalgamated Casualty Insurance Company of Washington, carries the insurance for 5,691 taxicabs, representing 47 taxicab companies. There are approximately 9,000 cabs in the District, and this one insurance company carries insurance for approximately 60 percent of all the taxicabs in the District. So, Mr. Speaker, this bill does, in fact, offer the possibility that a substantial bonanza may accrue to this one insurance company, which, in effect, has a monopoly on the taxicab-insurance business in the Nation's Capital.

I have made some inquiries concerning the probable increase in the costs under this bill. I am informed that the cost could very well be doubled. At present the insurance companies are collecting about $1,750,000 annually on this type of insurance. That could be increased to more than $3 million annually, and almost two-thirds of this amount could go to the one company mentioned.

General comment was made during the hearings that raising the limit of coverage would increase rates by about 35 percent. Since cabdrivers pay premiums on a weekly basis, this would probably mean an additional premium of $1.25 a week—with the total number of cabs this would amount to more than a half a million dollars annually—a rather substantial benefit to this company.

In addition, I want to call to the attention of my colleagues the fact that, while raising the amount of coverage, this bill provides that the liability of the insured will be absolute, regardless of the stated coverage, when an accident occurs. This is a technical point, but I am advised by insurance experts that this would have two effects. In the first place, it would place every cabdriver in the position of having to buy the kind of insurance that only those who have been found guilty of serious crimes, such as driving while intoxicated, committing a homicide with a motor vehicle, leaving the scene of the accident, reckless driving involving a personal injury, and any felony involving a motor vehicle, are forced to buy under present law. In other words, under the terms of this bill, each and every taxicab driver would be required to take out the most expensive kind of insurance, thus indicating that it is an insurance-company-benefit bill.

In the case of insurance for private vehicles, that type of insurance calls for an extra premium of 50 percent. If that will be the case in this instance, it would mean another additional cost of $2.50 a week. In that event, the cost per week to all operators could be as high as $7.25, which is more than twice as much as the present insurance premiums. The accident experience does not justify such a tremendous increase in cost.

In the case of the one insurance company mentioned that would mean an additional benefit of more than a million dollars a year. It certainly would be pertinent to consider whether we are justified in asking the public to pay so large an increase in cost to justify these increases in coverage.

The bill passed by the other body on this subject opens the possibility of breaking this near monopoly in insurance. It might be possible under its terms for drivers to obtain insurance from any of the 300 companies qualified to sell insurance to private owners. Under the bill just passed, the present near monopoly would be maintained.

While we may all recognize the desirability of having an increased protection to the public, my concern was with respect to the amount of benefit going to the insurance companies. It seems to me that the committee did not develop these facts fully. It was pointed out during debate by our colleague, Congressman TEAGUE, that there are a number of studies underway at the present time with respect to the overall taxicab problem in the District. These include studies by the National Capital Planning Commission, the Capital Regional Planning Council, and the Washington Metropolitan Regional Conference. Public Law 24 of the 85th Congress appropriated funds to enable these studies to be made. It certainly seems unwise to proceed on this matter prior to the time these studies have been completed and particularly in view of the fact that Congress has appropriated money to secure this information.

I want to state that I have the highest regard and affection for our esteemed colleague, the gentleman from Texas, Congressman TEAGUE. We all know he is a man of the highest character and integrity. He is a hard worker. However, his committee has, in this bill, touched upon only one part of the overall problem. This one places an additional cost and expense upon the taxicab operators and the public while not solving the overall cab transportation problems in the Nation's Capital.

ACQUISITION OF REMAINING PROPERTY IN SQUARE 725, DISTRICT OF COLUMBIA, AND CONSTRUCTION THEREON OF ADDITIONAL FACILITIES FOR THE UNITED STATES SENATE

The SPEAKER. The further unfinished business before the House is the question on the passage of the bill S.

495, which the Clerk will report by title.

The Clerk read the title of the bill.

The question was taken, and the bill was passed.

A motion to reconsider was laid on the table.

COMPENSATION FOR INJURIES UNDER LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION ACT WHERE A THIRD PERSON IS LIABLE

Mr. ZELENKO. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 12728) to amend the Longshoremen's and Harbor Workers' Compensation Act, with respect to the payment of compensation in cases where third persons are liable.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 33 of the Longshoremen's and Harbor Workers' Compensation Act is amended to read as follows:

"COMPENSATION FOR INJURIES WHERE THIRD PERSON IS LIABLE

"SEC. 33. (a) If an employee entitled to compensation under this act be injured or killed by the negligence or wrong of a third person not in the same employ, such employee or, in case of death, his eligible survivors or legal representative, if any, need not elect whether to take compensation and medical benefits under this act or to pursue his remedy against such third person but may take such compensation and medical benefits and (within the time periods hereinafter set forth) pursue his remedy against such third person subject to the provisions of this act. If such employee, or, in case of death, his eligible survivors or legal representative, if any, takes compensation under this act and desires to bring action against such third person, such action should be commenced not later than 6 months after the entry of an order awarding compensation or not later than 9 months after the enactment of such law or laws creating, establishing, or affording a new or additional remedy or remedies. In such case, the carrier liable for the payment of such compensation shall have a lien on the proceeds of any recovery from such third person, whether by judgment, settlement, or otherwise, after the deduction of the reasonable and necessary expenditures, including attorney's fees, incurred in effecting such recovery, to the extent of the total amount of compensation awarded under, or provided, or estimated, by this act for such case and the expenses for medical treatment paid or to be paid by it, and to such extent such recovery shall be deemed for the benefit of such carrier. Notice of the commencement of such action shall be given 30 days thereafter to the Secretary of Labor, the employer, and the carrier upon a form prescribed by the Secretary.

(b) If such employee or, in case of death, his eligible survivors or legal representative, if any, has been awarded compensation under this act but has failed to commence action against such third person within the time limited therefor by subsection (a), such failure may operate as an assignment of the cause of action against such third person to the carrier liable for the payment of such compensation. The failure of such employee or his eligible survivors or legal representative to commence an action pursuant to the provisions of subsection (a) of this section, shall operate as an assignment of the cause of action: *Provided only, however*, That the carrier shall first, after award of compensation, have notified the employee, or in the event of his death, the employee's eligible survivors and legal representative if any has been appointed, in writing by personal service or by registered or certified mail at least 30 days prior to the expiration of the longer time limited for the commencement of an action by subsection (a), that such failure to commence such action shall operate as an assignment of whatever cause of action may exist from the employee to the carrier. If the carrier shall fail to give such notice, the time limited for the commencement of an action by subsection (a) shall be extended until 30 days after the carrier shall have served the notice required by this section, and in the event the claimant fails to commence such action within 30 days after service of such notice, such failure shall operate as an assignment of such cause of action to such carrier. If such carrier as such an assignee recovers from such third person, either by judgment, settlement, or otherwise, a sum in excess of the total amount of compensation awarded for the death or injury of such employee and the expenses for medical treatment paid by it, together with the reasonable and necessary expenditures incurred in effecting such recovery, it shall forthwith pay to such employee or his eligible survivors at the time of death two-thirds of such excess, and to the extent of two-thirds of any such excess such recovery shall be deemed for the benefit of such employee or his eligible survivors. When the compensation awarded requires periodical payments, the number of which cannot be determined at the time of such award, the Secretary shall, when the injury or death was caused by the negligence or wrong of another not in the same employ, estimate the probable total amount thereof upon the basis of the survivorship annuitants table of mortality, the remarriage tables of the Dutch Royal Insurance Institute, and such facts as he may deem pertinent, and such estimate shall be deemed the amount of the compensation awarded in such case, for the purpose of computing the amount of such excess recovery, subject to the modification thereof as hereinafter provided.

"(c) In the event of a modification of an award increasing the compensation previously awarded or in the event that the total amount of periodical payments made pursuant to an award under which the number of such payments could not be determined at the time of the award, shall exceed the total thereof as estimated by the Secretary, the principal of any of such excess recovery heretofore paid to such employee or his eligible survivors shall be credited against such increase or such excess. In the event of a modification of an award ending or diminishing the compensation previously awarded or in the event that the total amount of periodical payments made pursuant to an award under which the number of such payments could not be determined at the time of the award, shall be less then the total thereof as estimated by the Secretary, such carrier shall forthwith pay to the person entitled to compensation any additional amount of such excess recovery to which such person may be entitled by reason of such modification or such deficiency, determined as hereinbefore provided.

"(d) If such employee proceeds against such third person the carrier shall contribute only the deficiency, if any, between the amount of the recovery against such third person actually collected, and the compensation provided or estimated by this act for such case, except that in the case where the amount of settlement of a claim or action against a third party is less than the compensation provided or estimated by this act, prior approval of the employer or insurance carrier shall be required or else the carrier shall be relieved of all liability for such deficiency.

"(e) The right to compensation or benefits under this act, shall be the exclusive remedy to an employee when he is injured or to his eligible survivors or legal representatives if he is killed, by the negligence or wrong of another in the same employ."

The SPEAKER. Is a second demanded?

Mr. GROSS. Mr. Speaker, I demand a second in order to get an explanation of this bill.

Mr. ZELENKO. 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 New York?

There was no objection.

Mr. ZELENKO. Mr. Speaker, this bill will amend certain hardships and inequities in the Longshoremen's Compensation Act. When a longshoreman is injured he gets compensation under the present law. If he should be injured by a third party, not his employer, he would have a right to sue that third party for his injury, in which case he could possibly recover a much larger sum. The present law, as it is written, provides that he elect either to take his compensation or to sue the third party. This is a hardship. The injured workers are confronted with a choice of taking the compensation or suing the third party. This bill does away with this problem. It provides that in case of injury during the course of his employment, the injured longshoreman does not have to elect either to take his compensation or to sue the third party. He can take the compensation and have his lawsuit against the third party. In the event he should recover more than the amount of compensation his insurance carrier receives back the amount which he received as compensation, and he gets the overage. In the event he receives less than the amount of his compensation, with the permission of his insurance carrier he may settle that lawsuit and they give him the difference. When he accepts the compensation and does not proceed on his own his insurance carrier gets the right to sue the third party on his behalf. If it recovers it gets back the money advanced to the worker in the way of compensation.

The bill is somewhat technical. However there are protections and safeguards in the bill to balance all the equities between the worker and the insurance carrier. It was passed unanimously by the subcommittee and the full committee. We held extensive hearings in the 84th Congress, at which time it was reported unanimously by the then subcommittee, but we did not get it up in time to be heard on the floor.

In this bill the equities are adjusted between the insurance companies and the injured worker. In other words, it is a means whereby an injured worker could possibly receive some money over and above what he would ordinarily enjoy in compensation and yet not prejudice him. It does not disturb old rights or create any new right; it just prevents this hardship by not forcing him to make an inequitable choice, that is, either to elect to take compensation or to bring suit against the third party.

This bill is modeled after the New York law which is followed in many

States. The injured worker does not have to elect between suing the third party or taking his compensation, but both remedies are open to him. If he chooses compensation that is all he gets. If he sues the third party and gets money over what he would get from compensation he keeps the amount that is over. If he gets less the insurance company makes it up.

Mr. GROSS. The gentleman assures the House that this will not cost the Government anything?

Mr. ZELENKO. Not 1 penny.

Mr. GROSS. The gentleman also states, as I understand, that this bill was reported unanimously by the committee.

Mr. ZELENKO. By the subcommittee, the full committee, and by the subcommittee in the last Congress—all unanimously.

Mr. GROSS. I thank the gentleman.

Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, addressing myself to the gentleman from New York who is handling the bill, assume we have a strike of the longshoremen, and the teamsters picket and some individual member of the longshoremen's union who wants to work tries to go to work but is prevented and physically injured by someone in the teamsters' picket line. Under this Alabama case where Justice Warren wrote a dissenting opinion in which he felt that the workman might recover too much, and assuming under the New York law that he could recover punitive damages, for humiliation, shame, disgrace, and so forth; if he were getting compensation which we will say amounts to $1,000 out of employment insurance as a longshoreman—under this bill as I understand he can sue the teamsters.

Now, suppose he gets damages in that suit of say $5,000. In that Alabama case the circuit court awarded $500 for loss of salary and $9,500 for shame, humiliation, disgrace, injured feelings, and so forth. Could the longshoreman keep all that or does he have to give back part of the sum he has recovered in the damage suit?

Mr. ZELENKO. I am not going to discuss the gentleman's particular case, but in a case involving a third party under this bill he could get his compensation and sue the third party also. Assume he got $1,000 in compensation and he recovered $5,000 in his lawsuit. He gives $1,000 to the insurance company to reimburse them for his compensation.

Mr. HOFFMAN. One thousand dollars would go to the insurance company.

Mr. ZELENKO. One thousand dollars would go to the insurance company to reimburse them for what they had paid out. They have a lien on anything he may recover in a lawsuit. Provision is made for repayment to the insurance carrier. They have a lien on every lawsuit brought by one of their insured arising out of the cause of action; and of the amount recovered in the lawsuit, $1,000 in this instance would be taken from the $5,000 and given to the insurance carrier to compensate it.

Mr. HOFFMAN. That does not seem just fair to me. Let us pursue that case against the teamsters a little further. The employee brings a lawsuit. Perhaps he does not get anything, yet he has paid his attorney, and he has paid court costs. Why should he have to take that chance to make the insurance company good?

Mr. ZELENKO. The gentleman has posed the question which has brought about this legislation. Under the law as it is presently written, once the third-party lawsuit has been started on behalf of the longshoreman and if he does not prevail, then he gets no compensation, nor does he recover from the third party.

This bill will rectify that situation and permit him to get compensation whether he sues the third party or not. Should he prevail in the third-party lawsuit what he recovers above compensation is substantially his, but, if he does not recover anything he still keeps his compensation. The gentleman's question was the basis for this legislation. It rectifies that inequity. Most States now have this. They have done away with what has been called the election of remedies. Many States have had this in their compensation laws for some time. The Government does not. The Government does not have compensation laws except in certain particular instances. One of them is for the longshoremen and harbor workers.

Mr. HOFFMAN. I thank the gentleman. I would like to ask the gentleman from Pennsylvania [Mr. WALTER], who is an expert on these questions, what is your opinion about this bill? I am largely guided in immigration matters by the gentleman's judgment.

Mr. WALTER. I am greatly flattered by the gentleman's question. I must admit that, if I were called upon to give an opinion now, it would be purely a curbstone opinion and absolutely worthless.

Mr. HOFFMAN. That might be worth a great deal more than a studied opinion from one who had no real information. You see here is the question that confronts me: I get my compensation as a longshoreman, then I decide to sue somebody, a third party, Hoffa, for instance. I decide to sue Hoffa. You see where I get in my suit against Hoffa. His attorneys will argue that I have already received compensation and all I am doing when I sue him is to start a smart money lawsuit.

Mr. ZELENKO. This is not a smart money lawsuit matter.

Mr. HOFFMAN. The one against the third party is, and justly so, I think; and smart money so called may in fact mean actual damages.

Mr. ZELENKO. May I assure the gentleman that we had numerous witnesses from industry, the Labor Department, the labor unions, and everyone agreed unanimously that this is a necessary piece of legislation to protect injured workers.

Mr. HOFFMAN. I thank the gentleman. I hope his conclusion is correct that this is a remedial statute.

The SPEAKER. The question is on the motion to suspend the rules and pass the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

SAFETY PROGRAM FOR LONGSHORE AND SHIP REPAIR INDUSTRIES

Mr. WIER. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 13021) to amend section 41 of the Longshoremen's and Harbor Workers' Compensation Act so as to provide a system of safety rules, regulations, and safety inspection and training, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted, etc., That section 41 of the Longshoremen's and Harbor Workers' Compensation Act (ch. 509, 44 Stat. 1424), as amended, is amended to read as follows:

"SEC. 41. (a) Every employer shall furnish and maintain employment and places of employment which shall be reasonably safe for his employees in all employments covered by this act and shall install, furnish, maintain, and use such devices and safeguards with particular reference to equipment used by and working conditions established by such employers as the Secretary may determine by regulation or order to be reasonably necessary to protect the life, health, and safety of such employees, and to render safe such employment and places of employment, and to prevent injury to his employees. However, the Secretary may not make determinations by regulation or order under this section as to matters within the scope of title 52 of the Revised Statutes and Acts supplementary or amendatory thereto, the act of June 15, 1917 (ch. 30, 40 Stat. 220), as amended, or section 4 (e) of the act of August 7, 1953 (ch. 345, 67 Stat. 462), as amended.

"(b) The Secretary, in enforcing and administering the provisions of this section, is authorized in addition to such other powers and duties as are conferred upon him—

"(1) to make studies and investigations with respect to safety provisions and the causes and prevention of injuries in employments covered by this act and from time to time make to Congress such recommendations as he may deem proper as to the best means of preventing such injuries, and in making such studies and investigations to cooperate with any agency of the United States or with any State agency engaged in similar work;

"(2) to utilize the services of any agency of the United States or any State agency engaged in similar work (with the consent of such agency) in connection with the administration of this section;

"(3) to promote uniformity in safety standards in employments covered by this act through cooperative action with any agency of the United States or with any State agency engaged in similar work;

"(4) to provide for the establishment and supervision of programs for the education and training of employers and employees in the recognition, avoidance, and prevention of unsafe working conditions in employments covered by this act, and to consult with and advise employers as to the best means of preventing injuries;

"(5) to hold such hearings, issue such orders, and make such decisions, based upon findings of fact, as are deemed to be necessary to enforce the provisions of this section, and for such purposes the Secretary and the district courts shall have the authority and

jurisdiction provided by section 5 of the act of June 30, 1936 (ch. 881, 49 Stat. 2036), as amended, and the Secretary shall be represented in any court proceedings as provided in the act of May 4, 1928 (ch. 502, 45 Stat. 490), as amended.

"(c) The Secretary or his authorized representative may inspect such places of employment, question such employees, and investigate such conditions, practices, or matters in connection with employment subject to this act, as he may deem appropriate to determine whether any person has violated any provision of this section, or any rule or regulation issued thereunder, or which may aid in the enforcement of the provisions of this section. No employer or other person shall refuse to admit the Secretary or his authorized representatives to any such place or shall refuse to permit any such inspection.

"(d) Any employer may request the advice of the Secretary or his authorized representative, in complying with the requirements of any rule or regulation adopted to carry out the provisions of this section. In case of practical difficulties or unnecessary hardships, the Secretary in his discretion may grant variations from any such rule or regulation, or particular provisions thereof, and permit the use of other or different devices if he finds that the purpose of the rule or regulation will be observed by the variation and the safety of employees will be equally secured thereby. Any person affected by such rule or regulation, or his agent, may request the Secretary to grant such variation, stating in writing the grounds on which his request is based. Any authorization by the Secretary of a variation shall be in writing, shall describe the conditions under which the variation shall be permitted, and shall be published as provided in section 3 of the Administrative Procedure Act (ch. 324, 60 Stat. 237), as amended. A properly indexed record of all variations shall be kept in the office of the Secretary and open to public inspection.

"(e) The United States district courts, together with the District Court for the Territory of Alaska, shall have jurisdiction for cause shown, in any action brought by the Secretary, represented as provided in the act of May 4, 1928 (ch. 502, 45 Stat. 490), as amended, to restrain violations of this section or of any rule, regulation, or order of the Secretary adopted to carry out the provisions of this section.

"(f) Any employer who, willfully, violates or fails or refuses to comply with the provisions of subsection (a) of this section, or with any lawful rule, regulation, or order adopted to carry out the provisions of this section, and any employer or other person who willfully interferes with, hinders, or delays the Secretary or his authorized representative in carrying out his duties under subsection (c) of this section by refusing to admit the Secretary or his authorized representative to any place, or to permit the inspection or examination of any employment or place of employment, or who willfully hinders or delays the Secretary or his authorized representative in the performance of his duties in the enforcement of this section, shall be guilty of an offense, and, upon conviction thereof, shall be punished for each offense by a fine of not less than $100 nor more than $3,000; and in any case where such employer is a corporation, the officer who willfully permits any such violation to occur shall be guilty of an offense, and, upon conviction thereof, shall be punished also for each offense by a fine of not less than $100 nor more than $3,000. The liability hereunder shall not affect any other liability of the employer under this act.

"(g) (1) The provisions of this section shall not apply in the case of any employment relating to the operations for the exploration, production, or transportation by pipeline of mineral resources upon the navigable waters of the United States, nor under the authority of the act of August 7, 1953 (ch. 345, 67 Stat. 462), nor in the case of any employment in connection with lands (except filled in, made or reclaimed lands) beneath the navigable waters as defined in the act of May 22, 1953 (ch. 65, 67 Stat. 29) nor in the case of any employment for which compensation in case of disability or death is provided for employees under the authority of the act of May 17, 1928 (ch. 612, 45 Stat. 600), as amended, nor under the authority of the act of August 16, 1941 (ch. 357, 55 Stat. 622), as amended.

"(2) The provisions of this section, with the exception of paragraph (1) of subsection (b), shall not be applied under the authority of the act of September 7, 1916 (ch. 458, 39 Stat. 742), as amended.

"(h) In establishing rules and regulations under the provisions of this section and in administering and enforcing such provisions and rules and regulations, the Secretary shall appoint and consult with an advisory committee composed of 9 members, 3 representing fields of labor affected by such provisions, 3 representing industry affected by such provisions, and 3 representing the United States Coast Guard. Members of the advisory committee shall not be compensated for serving as such a member, but shall be paid an allowance for any actual and necessary travel and subsistence expenses incurred while so serving way from their places of residence."

SEC. 2. The term "Secretary" as used in this act and in amendments made by this act means the Secretary of Labor.

The SPEAKER. Is a second demanded?

Mr. BOSCH. Mr. Speaker, I demand a second.

Mr. WIER. 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 Minnesota?

There was no objection.

Mr. WIER. Mr. Speaker, H. R. 13021 is a bill that amends the present Longshoremen and Harbor Workers' Compensation Act. This bill was supported by many employers, by the unions involved, by the Department of Labor and other interested parties, who found agreement in the fact that the present safety rules and safety agreements as reached in union contracts in these longshore centers were not being effectively carried out. We have some employers engaged in this particular industry that carry forth every evidence of acting in good faith; but there is another grave problem, and that is those employers who do not carry out and have no intention of following good safety provisions or activities.

This bill comes to you today with the experience and the statistics as gathered by the Department of Labor regarding the high accident rates in this industry. The figures presented to us by the Compensation Bureau run as high as 88 percent in this industry as compared with 25 to 30 percent in any other given industry in the United States. That is what calls for the need for this bill.

Mr. Speaker, this bill in reality is an enforcement bill. We provide some enforcement features for the Department of Labor and the Compensation Bureau to insure the carrying out of the necessary safety and educational features.

One of the problems we find involved in the longshoreman and harbor-worker industry is our inability to cope with foreign ships on the west coast, the east coast, and the Gulf of Mexico. While we have some State laws in Washington, California, New York, Maryland, and other localities, foreign vessels are not subject to the State laws; so, in order to get at one of the evils, the greatest evil—these foreign ships coming in where they are not subject to any of the State laws of the Nation—this law reaches them through Federal enforcement. Consequently, that is a second and necessary deterrent to this high accident rate as presented by an 88 percent.

Now, Mr. Speaker, this legislation was introduced by my colleague, the gentleman from New York [Mr. BOSCH], the ranking Republican member of the subcommittee of which I happen to be chairman. I am quite sure that my colleague will want to speak on this bill and to point out and answer such questions as might be involved in the successful passage and the presentation of this bill.

Mr. BOSCH. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, this legislation amends section 41 of the Longshoremen's and Harbor Workers' Act so as to provide a system of safety rules, regulations, and safety inspection and training. The bill is a result of hearings conducted by the subcommittee which established that a very serious condition existed with regard to longshoremen and harbor workers, evidenced by the disclosure that in fiscal 1957 there were a total of 79,823 injury cases of which 21,969 were disabling—broken down, 15,310 were longshoremen and 6,659 were ship repair and servicemen. In this same period there were 122 fatal cases. During this same fiscal year compensation paid—not including medical costs—amounted to $8,780,437.

This legislation requires that employers in the industry shall furnish and maintain employment and places of employment which shall be reasonably safe. It authorizes the Secretary of Labor to hold hearings and issue orders based upon findings of fact and to inspect places of employment and then determine whether or not there has been a violation of the act. It should be noted here that under the terms of this legislation regulations specifying measures essential to conditions of safety can be issued by the Secretary only after interested parties have been given formal opportunity to express their views on the proposed regulations through hearings or other publicly-announced procedures. The Secretary may, under certain circumstances where hardship is established, grant variations from the standards established.

The exemption provision of this legislation makes clear that the bill is not intended to cover operations such as dredging or drilling which are conducted from waterborne craft in the coastal

waters, the harbors and inland waterways of the United States.

While there was testimony which indicated a degree of participation in programs of education and training, all parties conceded that the hazards of longshore and ship-repair work required safety legislation. This bill establishes at least a minimum of safety standards for all employers and is agreeable to all parties in the industry.

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

Mr. BOSCH. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, I received a letter from a shipbuilding company in my District and should like to read a portion of it and ask if the gentleman would comment on it. The letter says:

As you know, our ship repairing and new ship construction here are closely intermingled. We have an excellent safety program and our accident record in the ship-repairing portion of the business has been as equally favorable as that in the ship-building portion. To have separate rules, regulations, and so forth, covering just the ship-repairing phase would be completely impractical and could only lead to confusion to us and to all of our people.

H. R. 13021 was actually designed to cover the stevedoring industry, which is something very different. Somehow, ship repairing got worked into the bill. I am sure you will find from committee records, and so forth, that no case whatsoever was made to demonstrate the necessity for covering ship repairing. A case could not be made as there is no such need.

Can the gentleman advise me why ship repairing was included in this bill?

Mr. BOSCH. I might say to the gentleman that the writer of the letter was misinformed. As I stated in the early part of my remarks, the evidence indicated that in 1957, 6,659 disabling injuries were sustained by ship repairmen and servicemen. The Longshoremen's and Harbor Workers' Compensation Act covers all of those who work on the docks or in the warehouses, and it covers ship repair. When it comes to the question of new shipbuilding I might say to the gentleman that under *Grant Smith-Porter Co.* v. *Rohde* (257 U. S. 469) and *U. S. Casualty Co.* v. *Taylor* (64 Fed. 2d 521) that I mentioned this morning, Supreme Court cases, it was clearly defined that anyone who works in connection with new shipbuilding is not covered by the Longshoremen's and Harbor Workers' Compensation Act.

Mr. CEDERBERG. The problem appears to be this. The particular yard is involved in new ship construction, actually for the Navy. They also are involved in the same yard with ship repair. The safety program is intermingled. They cannot separate the safety program from their new ship construction and that of ship repair, because it would not be practical. Is there any way the situation can be alleviated?

Mr. BOSCH. The only answer I can give the gentleman to that question is that under the bill we have established an advisory committee, with 3 from management, 3 from labor, and 3 from the Coast Guard, which has some concurrent jurisdiction. That advisory committee is the one which will discuss the rules and regulations pertaining to safety. I feel sure that if the gentleman who wrote this letter has a safety program today the problem will be solved.

Mr. CEDERBERG. This advisory committee would have the authority to deal with specific situations of this type?

Mr. BOSCH. That is right, and make recommendations to the Secretary.

Mr. CEDERBERG. In this particular yard there are no longshoremen, stevedores, or any of this type of workers. This is ship construction and repair. I thank the gentleman.

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

Mr. BOSCH. I yield to the gentleman from Washington.

Mr. PELLY. I commend the gentleman for his interest in this safety legislation. I have personally followed it and his activity in connection with it. I think the gentleman will recall I testified before the committee, because in my District I represent a port and an area in which foreign ships come in. We also have ship repair. It seems fair and logical that we should have conditions under which workers are employed that provide for minimum standards of safety. I am very happy to support this legislation.

Mr. BOSCH. I thank the gentleman.

Mr. WIER. Mr. Speaker, I yield such time as he may desire to the gentleman from Massachusetts [Mr. O'NEILL].

Mr. O'NEILL. Mr. Speaker, I want to congratulate the chairman of the subcommittee, the gentleman from Minnesota [Mr. WIER], and also the gentleman from New York [Mr. BOSCH], on the bill that has been reported here, and on the numerous hours and days they spent on the hearings. I also had introduced a bill which was somewhat similar to the bill introduced by the gentleman from New York [Mr. BOSCH].

May I say to the gentleman from Michigan [Mr. CEDERBERG] with regard to shipyards that this law affects only ships that are in the water. The State laws would govern the safety regulations on ships that are on the ways or ships that are being constructed in shipyards.

Mr. CEDERBERG. If the gentleman will yield, it is the understanding of the gentleman, then, that if a Great Lakes carrier comes into the shipyard of which I am speaking and is laid up for winter repair, it does not come under the scope of this legislation?

Mr. O'NEILL. It is my opinion it would come under the rules governing safety regulations in the State of Michigan.

Mr. CEDERBERG. That is very important to us, because you can see the confusion that could result by having varying standards in this particular area.

Mr. O'NEILL. With regard to the longshoremen, where longshoremen are considered employees under this bill, local legislation normally would cover them, but State legislation cannot cover them on the ships themselves when the ships are in the water. The longshoremen while they are bringing cargo to the ship are covered by your local legislation, but when they board the ship itself then that is not under the jurisdiction of the State. That is the necessity for this bill.

May I say to the gentleman that in 1954 there was passed in Canada a law something similar to this. In Canada they call it the Tackle law. It provides for an annual inspection of lifting machinery such as cranes, winches, hoists, derrick booms, and all sorts of equipment of that type, anything that implements hoisting. I also understand the bill requires an annual inspection of ropes, chains, wires, and pulleys. We have a provision in this bill which will set up specifications as to what inspections will be required.

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

Mr. O'NEILL. I yield.

Mr. CEDERBERG. As I understand it, there is no intention by this legislation in any way to disrupt proper and going safety programs, which are under State regulation or other regulations?

Mr. O'NEILL. The gentleman is correct.

If I may proceed further, Mr. Speaker, may I say the occupation of longshoreman is the most hazardous of all occupations. The Bureau of Labor Statistics shows that the injury frequency rate was 88.5 million man-hours in 1956. For the same years, the statistics show that logging is the second most hazardous with a 65 million man-hour rate. Coal mining is the third most hazardous with 48 million man-hours.

It is interesting to note, Mr. Speaker, that this Congress this year has passed safety regulations covering railroads. This bill was before the Congress in 1951. The injury frequency rate at that time was 76.5 million man-hours. I think this proves, this rising figure 88.5 proves, there has been no cooperation with the recommendations set up by the Department of Labor. I feel this legislation is necessary and very much needed. At the present time the longshoremen and harbor workers are the only groups not covered by any national legislation or regulations.

Mr. WIER. Mr. Speaker, I yield such time as he may desire to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Speaker, I want to express my deep concern and interest in this legislation. I was a member of the joint committee of the House headed by United States Senator KENNEDY, at that time a Member of the House, that investigated this situation in the various ports along the eastern seaboard.

There is a need for immediate action in this particular field. There is an emergency need for this legislation. The legislation, as explained by the subcommittee to the full Committee on Labor, is the result of working out an agreement satisfactory not only to the shipowners but to the Stevedores Association and to the longshoremen themselves. If they have succeeded in doing that, I want to put my blessings on this legislation and say that it is a good piece of legislation and I hope it will be approved.

Mr. BOSCH. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker and Members of the House, undoubtedly I owe the membership an apology for my several attempts to obtain order. As a partial excuse, let me explain that I live in the Methodist Building just across from the Capitol and for the last 3 or 4 months there has been a construction job going on there where they are driving piles not only during the day but much of the time during the night. Then over at the New House Office Building on the southwest corner, they are doing the same thing. The noise is such that one cannot dictate to anybody. You cannot carry on a conversation and you can readily see that makes me at the moment a little irritable. So you see when I come over here and I really want to listen, and it is impossible either to hear or to make yourself heard, I become a little impatient. I really hope now, that you will excuse me for trying to get order so that Members will be able to know what is happening.

As to this bill, you realize, we in Michigan are interested in foreign shipping as well as domestic shipping on Lake Superior, Lake Huron, and Lake Michigan. I ask the gentleman who is in charge of the bill on the majority side if this applies to the pilots of those boats. We have had many complaints about foreign shipping coming in whose pilots are not licensed. Does this have anything to do with those pilots?

Mr. WIER. This legislation has no application to the operators of the boats.

Mr. HOFFMAN. That is to say at the present time—are the pilots who come in from other countries with these ships, are they replaced by pilots who are licensed by our State or Federal Government?

Mr. WIER. I do not think that happens on the Great Lakes. Of course, it happens in the big ports.

Mr. HOFFMAN. Then can I tell those who complain, and they are union men, can I tell them that the Federal Government has not legislated and this does not apply in any way, this proposed legislation, to the pilots of these foreign ships and there is no way of forcing foreign ship owners in domestic or foreign trade on the Great Lakes to obtain domestic licenses?

Mr. WIER. That is right. You could be assured of that.

Mr. HOFFMAN. I thank the gentleman, but may I ask the gentleman from California [Mr. ALLEN], who is an expert on this subject, to comment?

Mr. ALLEN of California. On April 21, 1958, the House passed a bill to provide for pilots on the Great Lakes.

The Senate Interstate and Foreign Commerce Committee concluded that, inasmuch as the waters traversed are international, the Coast Guard and other United States agencies should confer with the Canadian Government and bring in a recommendation next session which would be mutually agreeable to both Governments for enactment by the 86th Congress.

Mr. HOFFMAN. Mr. Speaker, I yield back the remainder of my time.

Mr. BOSCH. Mr. Speaker, I yield to the gentleman from Michigan [Mr. GRIFFIN] such time as he may desire.

Mr. GRIFFIN. Mr. Speaker, I take this time to reiterate a point made in the committee concerning subsection (h) on page 7 of this bill. That subsection provides that "the Secretary of Labor shall appoint and consult with an advisory committee composed of 9 members, 3 representing the field of labor, etc." In the field to which this bill applies, labor is represented, to a large degree, by Harry Bridges.

In the first place, I think we are passing entirely too many bills which require that advisory committees be appointed. It is my understanding that the Departments now have adequate discretionary authority to call in experts and advisors when they are needed.

In this bill we, in effect, are directing and compelling the Secretary of Labor to appoint Harry Bridges, or someone representing Harry Bridges, to an advisory committee. I do not like to be in the position, as a Member of Congress, of directing the Secretary of Labor, in effect, to sit down and consult with Harry Bridges. The Secretary might see fit to do so—but I do not want to direct that he shall do so.

I understand that the particular provision to which I refer, subparagraph (h), is not in the Senate bill, already passed by the other body. Approval by this body now, under suspension of the rules, should not necessarily be taken, I submit, as insistence on the subparagraph requiring appointment of an advisory committee. It would be my hope that the House conferees will go along with the Senate bill in conference and thereby eliminate this provision in the bill.

Mr. BURNS of Hawaii. Mr. Speaker, in congratulating the chairman and members of the Committee on Education and Labor—and particularly the very able, completely dedicated, and most knowledgeable gentleman from Minnesota [Mr. WIER] who is managing the bill on the floor—for a very fine bill, I know that I express the sentiments of the stevedores and shipyard workers of Hawaii.

The stevedoring industry, as compared to other industries such as coal mining, contracting and manufacturing, has a long history of being among the most hazardous of occupations. Every available source proves this point.

That this need not be is clearly shown by the record attained in Hawaii which leads the Nation in this field of activity as she does in so many other fields. Though the records are spotty as to the complete industry, as is pointed out in the report, it is interesting to note how much can be achieved by a safety program carefully designed and well worked out. The savings in life and limb, as well as the increased efficiency from the standpoint of time and money, is clearly apparent and warrants enactment of the bill presently before the Congress.

That a safety program can be set up with well nigh astonishing results is proven quite definitely by the record of Castle and Cooke Terminals, the largest stevedore contractor in Hawaii. In 1952 and 1956 this company won the nationwide safety competition sponsored by the National Safety Council. They employ more than 700 longshoremen. In 1957 this same company had an average accident frequency rate of 18.88, as compared to a 73.3 rate for west coast longshoremen. The company and the union—the ILWU—have cooperated on making a safety program produce results.

The difference between a safety program and no safety program is pointed out quite clearly by the record of Castle and Cooke Terminals and another Hawaii firm in 1953. Castle and Cooke, with an average of 728 stevedores had 55 reported accidents. The other company, with an average of 493 stevedores, had 106 reported accidents.

Hawaii's record is truly outstanding, though we recognize full well that even greater improvements can be made in an already fine record. I want to point out that efficiency need not be sacrificed to safety. Hawaii during the war had a turn-around time 2½ times faster than most other ports. My latest information is that they have continued to have a faster turn-around time. The gains made in the field of human life and limb has not decreased efficiency.

Mr. Speaker, H. R. 13021 is a good bill in a field of Federal jurisdiction needing legislation. Hawaii workers deeply appreciate the painstaking efforts of the committee and the anticipated approval of the House.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill H. R. 13021, with amendments?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

GENERAL LEAVE TO EXTEND REMARKS

Mr. WIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection?

There was no objection.

TO INCREASE THE PUBLIC DEBT CEILING

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Friday, August 1, 1958, to file a report on the bill (H. R. 13580) to increase the public debt ceiling.

The SPEAKER. Is there objection?

There was no objection.

AMENDING SECTION 245 OF THE IMMIGRATION AND NATIONALITY ACT

Mr. WALTER. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 13451) to amend section 245 of the Immigration and Nationality Act.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 245 of the Immigration and Nationality Act (66 Stat. 217) be amended to read as follows:

"SEC. 245. (a) The status of an alien who was admitted to the United States as a bona fide nonimmigrant may be adjusted by the

Attorney General, in his discretion and under such regulations as he may prescribe, to that of an alien lawfully admitted for permanent residence if (1) the alien makes an application for such adjustment, (2) the alien is eligible to receive an immigrant visa and is admissible to the United States for permanent residence, (3) an immigrant visa was immediately available to him at the time of his application, and (4) an immigrant visa is immediately available to him at the time his application is approved. A quota immigrant visa shall be considered immediately available for the purposes of this subsection only if the portion of the quota to which the alien is chargeable is undersubscribed by applicants registered on a consular waiting list.

"(b) Upon the approval of an application for adjustment made under subsection (a), the Attorney General shall record the alien's lawful admission for permanent residence as of the date the order of the Attorney General approving the application for the adjustment of status is made, and the Secretary of State shall reduce by one the quota of the quota area to which the alien is chargeable under section 202 for the fiscal year current at the time such adjustment is made.

"(c) The provisions of this section shall not be applicable to any alien who is a native of any country contiguous to the United States, or of any adjacent island named in section 101 (b) (5)."

SEC. 7. The act of September 11, 1957 (71 Stat. 639), is hereby amended by inserting after section 12 the following additional section 12A:

"SEC. 12A. Any alien eligible for quota immigrant status under the provisions of section 203 (a) (1) of the Immigration and Nationality Act on the basis of a petition approved by the Attorney General prior to July 1, 1958, shall be held to be a nonquota immigrant and shall be issued a nonquota immigrant visa: *Provided*, That upon his application for an immigrant visa and for admission to the United States the alien is found to have retained his status as established in the approved petition. This section shall be applicable only to aliens admissible to the United States except for the fact that an immigrant visa is not promptly available for issuance to them because the quota of the quota area to which they are chargeable is oversubscribed."

The SPEAKER. Is a second demanded?

Mr. GROSS. Mr. Speaker, I demand a second to assure some explanation of the bill.

Mr. WALTER. 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 Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, the bill, as amended, is designed to facilitate the adjustment of status of those aliens in the United States who qualify for permanent residence. Most of them are married to American citizens.

The Committee on the Judiciary, heavily burdened with private bills, has for a long time felt the necessity for the enactment of the legislation which we are bringing up today.

After an extensive study was made by the committee in the 84th Congress, a recommendation was made that the law should provide for an administrative procedure, under which an alien, eligible to have his temporary status in the United States changed to that of an immigrant admitted for permanent residence, would be in a position to adjust his status without resorting to the device of departing from the United States to Canada for the sole purpose of obtaining there an immigrant visa and returning immediately.

This is essentially a procedural measure designed to simplify existing practices and to save the United States Government, as well as the eligible aliens and their families, considerable expense involved in the preexamination procedure and the journeys to Canada.

Provision for such procedure was made in the original House bill which resulted in the enactment of the Immigration and Nationality Act. That provision was considerably altered in the Senate and it is this change that we are attempting to correct at this time.

In no way does this legislation affect the standards of eligibility which the prospective immigrant has to meet under the Immigration and Nationality Act. This legislation, except for the amendment, does not affect in any way the numerical limitations as set forth in existing immigration quotas.

The language of this bill has been carefully drawn so as not to grant undeserved benefits to the unworthy or the undesirable immigrant. The benefits of this bill would be available, in the discretion of the Attorney General, solely to aliens who are eligible to receive an immigrant visa under all the qualitative and quantitative criteria of our basic immigration laws. They would not enjoy any priority to the possible detriment of intending immigrants who wait outside the United States until their turn is reached on the consular waiting list.

Similarly, the benefits of this legislation will not be available to immigrants who could not establish to the Attorney General's satisfaction that they were admitted to the United States as bona fide nonimmigrants. We believe that a very high percentage of the aliens benefiting from this legislation, possibly as much as 75 percent, would be wives or husbands of United States citizens, with the remainder of the beneficiaries falling under the category of skilled specialists whose services are urgently needed in the United States by our industry, agriculture, institutions of education, hospitals, laboratories, and certain nonquota immigrants in the refugee category or due to their birth in the Western Hemisphere. A relatively small number of aliens made eligible to enter the United States as immigrants under sections 5, 6, 7, and 15 of the act of September 11, 1957, would also benefit from this legislation under conditions prescribed in that act.

The Committee on the Judiciary unanimously recommended the enactment of this legislation.

The committee amendment is designed to extend for 1 year, that is, from July 1, 1957, to July 1, 1958, the nonquota status granted to aliens possessing special skills needed in our economy. This extension applies actually to cases in the pipeline, to cases where applications were filed by American employers too late to meet the July 1, 1957, deadline set forth in the act of September 11, 1957.

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

Mr. WALTER. I yield to the gentleman from Connecticut.

Mr. MORANO. Is it not true that this will not add one number to the already existing quotas all over the world?

Mr. WALTER. That is not entirely correct; it will add several hundred numbers in the skilled specialist class that are now in the pipeline. That part of the bill is temporary legislation, though. As far as permanent legislation is concerned, namely section 245 of the McCarran-Walter Act, the gentleman is entirely correct.

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

Mr. WALTER. I yield to the gentleman from Maryland, a member of the committee.

Mr. HYDE. I want to say that this bill and the amendment are good pieces of legislation needed very badly. They have the unanimous support of all members of the committee. It will do away with the cumbersome procedure which is really a subterfuge today, and also eliminate real hardship and unnecessary expense on the part of a great number of people who cannot afford it, and it will provide to this country skilled specialists who are badly needed. It seems somewhat ridiculous that here are people we need, but because of some technicality they have got to leave the country. This bill will take care of those situations, and I hope it will be approved by the unanimous vote of the House.

Mr. WALTER. I may add that the language in that part of the bill which is designed to become permanent legislation, is the language which was contained in the original House bill of the 82d Congress, but it was not in the Senate version of that legislation. When the McCarran-Walter Act was approved we yielded to the Senate and adopted their version; but this—as I said—is the language which expresses our original intention.

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

Mr. WALTER. I yield.

Mr. GROSS. Will this have the effect of reducing the number of cases on the Private Calendar?

Mr. WALTER. That is one hope, I might say to my friend from Iowa.

Mr. GROSS. I hope that someday somehow that can be brought about, and I thought it might be helped by the passage of the McCarran-Walter Act.

Mr. WALTER. I might add in reply to my distinguished friend who makes a great contribution to these proceedings, that private legislation in the field of immigration is a very difficult problem. On the one hand, for example, under the immigration laws we exclude prostitutes. However, American soldiers go abroad, marry certain girls and want to bring them here. Now, what do you do? Do you eliminate from the general statute prostitution as a ground of exclusion or do you enact private legislation in a deserving case? I do not know the answer, frankly; and so long as human

nature and the variety of conditions affecting human lives is what it is, of course we are going to have to look into individual cases and weigh the equities in considering private bills.

Mr. GROSS. I do not know that anyone knows the answer to that.

Mr. WALTER. It is a difficult problem, I will confess.

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

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

Mr. MUMMA. Does the bill cover people coming here on visitors' visas?

Mr. WALTER. Only those visitors for whom quota numbers will be available, unless they are nonquota immigrants under the law. Under this bill nobody will be permitted to take his place at the head of the list instead of at the foot if he belongs there.

Mr. MUMMA. That point "lawfully admitted" would include visitors, would it not?

Mr. WALTER. Some of them, as well as students, people here temporarily as traders, officials and so forth.

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

Mr. WALTER. I yield to the gentleman from Indiana.

Mr. BEAMER. I would like to ask one question. I am wondering whether under this or any other similar legislation farmers or people who are classified as farmers can be considered as technically trained?

Mr. WALTER. Well, it depends entirely on the type of their skill. I can think of about 1,200 people of that sort, the Dutch plantation managers who were expelled from Indonesia. They are all skilled agricultural technicians in every sense of the word. The amendment to this bill would apply to people of that sort. It is within the discretion of the Attorney General of the United States to reach a determination as to whether or not the alien possesses sufficient skill to be classified as first preference immigrants.

Mr. BEAMER. I thank the gentleman.

The SPEAKER. The question is on the motion to suspend the rules and pass the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

CHIEF JUDGES OF THE CIRCUIT AND DISTRICT COURTS OF THE UNITED STATES

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 985) to provide that chief judges of circuit and district courts shall cease to serve as such upon reaching the age of 75, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 6, strike out "75" and insert "70."

Page 1, line 8, strike out "75" and insert "70."

Page 1, line 10, strike out "75" and insert "70."

Page 2, line 2, strike out "been a member of the court" and insert "served as a circuit judge."

Page 2, line 7, strike out "75" and insert "70."

Page 2, line 9, strike out "75" and insert "70."

Page 2, line 11, strike out "75" and insert "70."

Page 2, lines 12 and 13, strike out "been a member of the court" and insert "served as a district judge."

Page 2, line 17, after "act" insert "except that the amendment made by section 136 shall not be effective with respect to any district having two judges in regular active service so long as the district judge holding the position of chief judge of any such district on such date of enactment continues to hold such position."

Amend the title so as to read: "An act to provide that chief judges of circuit courts and chief judges of district courts having 3 or more judges shall cease to serve as such upon reaching the age of 70."

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

Mr. MARTIN. Mr. Speaker, reserving the right to object, will the gentleman explain what this is all about?

Mr. CELLER. Mr. Speaker, we passed a bill providing that judges of the circuit and districts courts, when they reach the age of 75 as chief judges, shall be relieved of administrative duties, and that such chief judge who has reached that age shall transfer his administrative duties as chief judge to a younger judge. Originally we offered a bill with 70 years. When the bill went over to the Senate, the Senate reduced it from 75 to 70, which was our original intention and the recommendation of the Judicial Conference, the Department of Justice, and the Administrator of the Courts of the United States.

Another amendment of the Senate contained the proviso that the provision shall only apply to two-judge courts. Where there were two judges, and thus there was not a great deal of administrative duties, the chief judge sitting, whether he reached the age of 75 or not, shall continue; but as soon as the judges in those particular courts would die or would resign or retire, then the original provision would apply to all the courts.

Mr. MARTIN. Are these amendments agreeable to the minority Members?

Mr. CELLER. Yes. I have spoken to the gentleman from Ohio about them.

Mr. McCULLOCH. Mr. Speaker, reserving the right to object, I should like to ask the chairman of the committee whether or not the Justice Department and the Judicial Conference support the bill as amended?

Mr. CELLER. In general, that is true. Informally, the Judicial Conference, the Department of Justice, and the Administrator have tentatively approved. As I understand, that approval has not been formalized.

Mr. McCULLOCH. Mr. Speaker, I am glad to support this bill, and I think it will expedite the disposition of the court calendars.

Mr. WALTER. Mr. Speaker, reserving the right to object, I might say to the gentleman from Ohio that the Attorney General is very much in favor of the amendment, and that the senior circuit judge of the third circuit, Hon. John Biggs, who has been very active, as you all know, in this field, is very much interested. As a matter of fact, Judge Biggs called on me this morning to express his interest in this and other legislation. I may say further that the enactment of this legislation will in all probability result in an increase in the number of judges, for the reason that when the senior circuit judge or senior district judge is relieved of his purely housekeeping duties, then he is able to sit, even though he retires, the result being that upon his retirement another judge is appointed, and we have an additional judge in that fashion.

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

RETIREMENT FOR FORMER PRESIDENTS

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 649 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 607) to provide retirement, clerical assistants, and free mailing privileges to former Presidents of the United States, and for other purposes. After general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. JOHANSEN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 144]

Andersen, H. Carl	Dies	Jenkins
Bass, Tenn.	Eberharter	Jones, Mo.
Boggs	Engle	Kearney
Brooks, La.	Friedel	Keating
Burdick	Gordon	Landrum
Carnahan	Harrison, Nebr.	Lesinski
Christopher	Hays, Ark.	McCarthy
Clark	Hillings	McIntire
Cooley	Jackson	Marshall
	James	Matthews

Michel	Sadlak	Talle
Morris	St. George	Taylor
Norrell	Shuford	Tuck
Powell	Sieminski	Udall
Preston	Smith, Kans.	Willis
Radwan	Spence	Withrow
Reece, Tenn.	Springer	

The SPEAKER. Three hundred and eighty-one Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

RETIREMENT FOR FORMER PRESIDENTS

The SPEAKER. The gentleman from Missouri [Mr. BOLLING] is recognized.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Pending that, I yield myself such time as I may require.

Mr. Speaker, this resolution makes in order consideration of the bill (S. 607), the Presidential retirement bill. It provides for an open rule, with 2 hours of general debate.

The Presidential retirement bill provides for the payment of an allowance to a retired President of $25,000 a year. It provides for the furnishing of administrative and clerical assistance to retired Presidents and in that connection it is my understanding that the chairman of the committee, the gentleman from Tennessee [Mr. MURRAY] will offer an amendment making the total amount available for such assistance $60,000 gross.

Third, it provides for suitable office space for the President.

Fourth, it gives to a retired President the privilege of using the frank 4,000 times per month.

Fifth, it provides a pension of $10,000 annually to widows of former Presidents.

It is my understanding that with the amendment which will be offered by the Committee on Post Office and Civil Service, this legislation is supported by the leadership on both sides of the House as well as being a part of the President's program.

Mr. Speaker, I reserve the remainder of my time.

The SPEAKER. The gentleman from Illinois [Mr. ALLEN] is recognized.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, I am opposed to this rule as well as the bill itself. I speak not with any feeling of politics, because we have 1 ex-President a Republican and 1 a Democrat. As far as I am individually concerned, I feel certain that ex-President Hoover would not take advantage of this fund, even though it would be made available to him.

The gentleman from Missouri [Mr. BOLLING] has mentioned that this bill provides for a pension forever—no limitation to it—of $25,000 per year for all ex-Presidents. It also provides $10,000 for the widows of all ex-Presidents. It also provides for the sending out of 4,000 pieces of mail—I do not believe the size was indicated, whether they are bundles or anything else, perhaps political ammunition, 4,000 of those units per month.

The help estimated to be allowed for ex-Presidents, a basic figure of $49,800, which in money itself has been estimated at a basic figure of $49,800, would run from $104,000 to $134,000, depending on how many employees were being used by the ex-President.

In determining that figure this bill would follow the pattern used by a United States Senator from the least populous State. I have determined, by calling, that these figures could run from 30 to 40 employees. They could use them, for instance, for a month or so before election.

Mr. BOLLING. Did the gentleman hear me state that an amendment to this section would be offered by the gentleman from Tennessee providing that the gross amount to be allowed for this kind of assistance would be $60,000?

Mr. ALLEN of Illinois. I am sorry; I did not hear the gentleman say that.

I would say that this bill further provides office space for these employees, office space for any number that might be employed, whether it be 30 or 40, together with equipment like electric typewriters, desks, mimeograph machines. and so forth. There is no limit as to the amount or kind of equipment used by the former President.

I have heard that certain amendments would be offered, but let me say that I am against this bill regardless of any amendments because I feel that both our ex-Presidents are financially better off than our own Government. As you know, we are $275 billion in debt, and within the next few days we will be considering a bill to raise the debt ceiling by $10 billion or $15 billion more. So I say, bearing in mind that both ex-Presidents have written their memoirs, their books, received pretty good money for them, running into the hundreds of thousands of dollars, and the fact that they can and are writing magazine and other articles, that they can if the wish make speeches, I do not believe that either Mr. Truman or Mr. Hoover are starving, but that they are in much better shape financially than our own Government.

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

Mr. ALLEN of Illinois. I yield to the gentleman from Connecticut.

Mr. MORANO. Does the gentleman say that this bill carries $60,000 for administrative and clerical assistants for an ex-President?

Mr. ALLEN of Illinois. The figure in the bill, I think, runs over $100,000.

Mr. MORANO. How does that compare with the clerk hire allowance of a Member of Congress?

Mr. ALLEN of Illinois. It is considerably more than the clerk hire allowance of Members of Congress.

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

Mr. ALLEN of Illinois. I yield.

Mr. WAINWRIGHT. I wonder whether the gentleman brought out the fact that the distinguished minority leader, Mr. MARTIN, testified before the committee in favor of the bill.

Mr. ALLEN of Illinois. I understand that the gentleman from Massachusetts [Mr. MARTIN] made certain commitments, but not to the bill as presently before us.

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

Mr. ALLEN of Illinois. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Did our distinguished minority leader define what a Republican was, and his obligations?

Mr. ALLEN of Illinois. I do not think he defined it.

Mr. HOFFMAN. The only loyalty pledge I gave to the party was that I would answer to quorum calls, follow the principles of the party, vote my convictions.

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

Mr. ALLEN of Illinois. I yield to the gentleman from Michigan.

Mr. JOHANSEN. As a member of the Post Office and Civil Service Committee I heard the testimony of the distinguished minority leader, and I will assure the House that the gentleman from Massachusetts did not, in any way, undertake to bind any other Members of the House.

Mr. ALLEN of Illinois. I thank the gentleman.

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

Mr. ALLEN of Illinois. Mr. Speaker, I yield 10 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, I am opposed to adoption of the rule, because among other things this proposal, S. 607, comes before the House with an unusual and even unsavory history in the Post Office and Civil Service Committee.

Faced with an unfavorable vote in subcommittee last year, it was reported out without an adverse vote as a courtesy to the subcommittee chairman. It was assumed then that no further consideration would be sought in the 85th Congress.

Suddenly, in March of this year, this presumed corpse showed signs of life, and on March 20, amid one of Washington's worst snowstorms, Speaker of the House RAYBURN, Majority Leader MCCORMACK, and Minority Leader MARTIN appeared without previous notice before the House Post Office and Civil Service Committee. They not only provided warmth for the legislative corpse on that cold, snowy day, they did their best to give it a blood transfusion.

It is to be regretted that our distinguished chairman, Mr. MURRAY, did not provide a shorthand reporter so that the Rules Committee and Members of the House might have had the benefit of the views of that galaxy of distinguished witnesses and especially the answers to the questions that were propounded to them.

It should be sufficient to say that a majority of the Post Office and Civil Service Committee remained so unconvinced and unimpressed that they voted to send the bill back to a subcommittee for further hearings.

Subsequently, Mr. MORRISON, chairman of the subcommittee, attempted to hold a meeting on a day when some of the members were busy with another subcommittee meeting to which witnesses

had been called. He finally canceled that meeting but shortly thereafter, on June 26, with two subcommittee members out of the city and another unable to be present, he—Mr. MORRISON—hurriedly called a meeting of the subcommittee and reported the bill to the full committee.

Let it be noted at this point that, contrary to explicit instructions of the full committee, the subcommitte did not hold further hearings.

On July 17, Mr. MORRISON called the bill before the full committee. With a minimum of discussion, and before a single amendment could be offered, the previous question was moved, adopted, and the bill reported to the House by a vote of 13 to 10.

Then followed one of the most unsavory procedures in connection with this legislative monstrosity. Despite the clear understanding in the full committee that minority members would have until Saturday night, July 19, to file a minority report, the chairman of the subcommittee, Mr. MORRISON, without notification to the minority, filed his report within 2 hours after adjournment of the committee meeting on July 17. Thus the minority was effectively precluded from having its views made a part of the committee report.

This proceeding, I reiterate, is only one of the manipulations by which this bill comes before you accompanied by an aroma so unsavory that it ought to be defeated.

Now, Mr. Speaker, I have tried my level best to learn what ex-President is in such need that Congress should raid the Treasury in this fashion and create a fourth office in Government. To save my soul I cannot find anyone who will tell me what ex-President is barefoot and in danger of missing a meal.

There is not the slightest evidence that former President Hoover wants, needs, or would take a pension and all the trappings as provided in this bill. Nor is there any evidence that President Eisenhower is clamoring to get on the bandwagon.

That leaves former President Truman, and I have yet to see a single witness point a finger in the direction of Missouri and say that there resides the man for whom this bill is designed.

Surely no one will contend that Mr. Truman is in a financial straitjacket. As in the case of President Eisenhower, he received preferential tax treatment on the income from his book. On the basis of his writing ability which he demonstrated when he was President, I have no doubt that he has done well in the book-writing field.

It should also be noted that he is now under contract to the North American Newspaper Alliance to write a series of newspaper articles; that with another member of his family he recently sold to a real estate developer some 220 acres of land immediately adjacent to the Grandview, Mo., airbase, which was conveniently located there during his administration. It may also be noted that earlier this year he is reported to have purchased, with Edwin W. Pauley, a part interest in four oil-producing wells in Alabama, and last but not least, only a short time ago he spent a month vacationing in Europe. None of the accounts of that sojourn in Europe indicate he was compelled to make the trip in steerage.

No, it cannot be said that the wolf is prowling at the Truman door.

The printed hearing shows that I tried hard to ascertain for whom this bill is designed, why it had to be ramrodded through the committee under that kind of pressure.

I should like to call attention to page 8 of the very abbreviated hearings that were held on this bill. I asked the gentleman from Massachusetts [Mr. MCCORMACK] this question.

Mr. GROSS. Mr. MCCORMACK, what ex-President is in need at the present time? I appreciate your review of history, but I think we ought to get down to the present ex-Presidents.

Mr. MCCORMACK. I do not think the legislation is predicated upon the theory of need. I think it is predicated upon the basis of equity and the consideration a former President is entitled to and from the angle of good business or judgment to provide legislation of this type. However, I assume you did not use the word "need" in the sense of the ordinary way it is used, but meant a President whose financial situation is such that the passage of the bill might prompt him to exercise his privilege under the law. I do not know of anyone, although I think it is well known that former President Truman is not a man of any great wealth.

Mr. GROSS. He is not suffering, is he, financially?

Mr. MCCORMACK. You use the word "suffering." I do not think that has any relevancy to the basic considerations of the bill. I do not think the question of suffering or need does.

Then, again, with Mr. MCCORMACK still testifying:

Mr. GROSS. I still do not understand why there is any bill here at all. Where is the demand for it? What is the purpose of the bill? Simply as an honorarium? For what purpose if not on the basis of need?

Mr. MCCORMACK. I think I presented a very clear case in my original presentation as to the justification for this bill: An act of equity; it is good business.

Mr. GROSS. In what way is it good business?

Mr. MCCORMACK. Certainly it is good business for the United States of America to recognize the services of a President.

And so forth. But, nowhere is there any indication of who is in need, and if pensions are not predicated upon an assumed basis of need, then the whole system of pensions is wrong.

Then we had before the committee the Deputy Director of the Budget, Mr. A. R. Jones, and I propounded the same line of questions to him:

Mr. GROSS. Who is this bill designed for? What is this all about? Is there a former President in distress or any imminent indication of distress?

Mr. A. R. JONES. I know of no specific person that this is designed for.

Mr. GROSS. Then what is it all about?

Mr. A. R. JONES. In order to provide standby legislation if the occasion should occur.

Mr. GROSS. Of course, it isn't standby legislation. If enacted, then any former President can make use of it.

Mr. A. R. JONES. That is correct.

Mr. ALLEN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. ALLEN of Illinois. As we all know, the gentleman is a member of the Committee on Civil Service, and I would like to ask him this question: In the event that the ex-Presidents get 30 or 40 employees, would they automatically become members of Civil Service and be entitled to a pension or not?

Mr. GROSS. No one knows. The bill is mute on that subject. No one knows what would happen to them. The beneficiaries of the pension would appoint them, of course, but no one knows who would pay them. Congress would have no control over them, so far as I know. That is a good question to ask the sponsors of this bill who refused to permit amendments in committee.

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

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Why do you not put in former Vice Presidents?

Mr. GROSS. I did not write the bill, I will say to the gentleman, and I am not for it.

If it is contended that this legislation is fashioned for ex-President Truman then my response is that any man, including Truman, who has the kind of money that enables him to spend a month or more vacationing in Europe and buy oil wells in this country, cannot be in dire financial straits and in need of a gratuity from the already drained United States Treasury, to the tune of well above $100,000 a year.

With the Federal debt standing close to the $300 billion mark, and President Eisenhower calling upon Congress for an increase in the debt ceiling, the time has come to stop all spending for which there is no demonstrated need. This bill clearly lacks justification and should be given no further consideration.

I hope the rule will be voted down and we can get on to other business.

Mr. BOLLING. Mr. Speaker, I yield 10 minutes to the gentleman from Louisiana [Mr. MORRISON].

Mr. MORRISON. Mr. Speaker, this legislation, in substantially identical form, has been before our committee well over 3 years.

The original bill, S. 1516, 84th Congress, was passed unanimously by the Senate and was referred to the House Post Office and Civil Service Committee on May 9, 1955. It was considered by a subcommittee of which the gentleman from Louisiana [Mr. MORRISON] was chairman in the 84th Congress, but the subcommittee did not take final action.

In the present Congress this bill, S. 607 was passed unanimously by the Senate, and was referred to the Post Office and Civil Service Committee on February 5, 1957. A companion House bill—H. R. 4401—was introduced by the distinguished majority leader, Mr. MCCORMACK, on the same day. The full committee held hearings on March 14, 1957, at which the majority leader appeared and testified at length with respect to the purpose and the desirability of this legislation. Representatives of the Bureau of the Budget also appeared and

presented the views of the administration in support of this legislation.

Subsequently, on March 20, 1958, the full committee met in executive session to hear the Speaker, the majority leader, and the majority leader of the House of Representatives who discussed the legislation and gave the committee full information on all factors involved. The Speaker, the majority leader, and the minority leader strongly urged approval of S. 607.

In summary, this legislation twice has been passed unanimously by the other body and has both the support of the administration and strong bipartisan approval of the leadership of this House.

After the meeting of March 20 the committee voted to refer the legislation for consideration to a subcommittee. The subcommittee chairman scheduled a meeting for June 18, 1958, but, being advised that several Members who had expressed opposition to the bill could not be present, agreed to postpone the meeting. The subcommittee then scheduled a hearing at another time, 8 days later, on June 26, 1958. At this meeting, attended by a majority of the members of the subcommittee, the members present voted unanimously to report S. 607 with amendments. The Post Office and Civil Service Committee considered the bill reported by the subcommittee for the greater part of the executive session scheduled for 10 a. m., on July 17 and voted to report this amended bill favorably.

Mr. Speaker, this legislation has been pending for more than a year and a half in the present Congress. Substantially identical legislation was before the committee for the greater part of the 84th Congress. There was not one witness or one organization that asked to be heard, to give their testimony, that was not heard. I do not know of any bill ever before a committee of Congress that had more deliberation, there having been three sessions of the full committee and sessions before two subcommittees.

Mr. Speaker, I want to assure you that there was not any undue limitations of debate at all when final action was taken. Everyone on the committee who was for it spoke and said what he wanted to. Everyone who was against it had ample time to say what he wanted to, and did.

There were exactly 25 minutes between the time I moved approval of the bill and the time that the previous question was moved and ordered. Anyone could have offered amendments during this time, but no one did.

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

Mr. MORRISON. I yield to the gentleman.

Mr. CEDERBERG. The gentleman knows full well why he had 23 minutes. The parliamentary situation was maneuvered so that no amendments could be offered in the committee at all. We were not allowed to offer any amendments.

Mr. MORRISON. Mr. Speaker, I differ with the gentleman. The gentleman was there, and he had more than ample time. He could have offered 10 amendments, if he had wanted to.

Mr. CEDERBERG. The gentleman knows that that is not the case.

Mr. MORRISON. That is the case. The gentleman had plenty of time, but he did not use it. He used the time to delay, rather than to offer amendments, because he was against the bill. But he could not delay it by offering any amendments after the previous question was ordered. The gentleman had plenty of time in which to put his amendments in, if he had amendments.

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

Mr. MORRISON. I yield to the gentleman.

Mr. JOHANSEN. Does not the gentleman know that there was no opportunity whatever under the parliamentary situation to offer any amendments?

Mr. MORRISON. The gentleman had full and ample opportunity, as the gentleman from Michigan [Mr. CEDERBERG] did, and as anybody else did, before the subcommittee or before the full committee, but offered no amendments.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield further?

Mr. MORRISON. I yield.

Mr. CEDERBERG. Mr. Speaker, I would like to ask the chairman of the full committee if any amendments were allowed during the debate?

Mr. MORRISON. The gentleman was not cut off. The gentleman did not ask to present any amendments.

Mr. CEDERBERG. The previous question was called for.

Mr. MORRISON. But before that the gentleman took 5 or 10 minutes before the committee and could have offered 10 amendments during that time.

Mr. CEDERBERG. I did not take one minute.

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

Mr. MORRISON. I yield to the gentleman.

Mr. McCORMACK. If they knew their parliamentary law, they would have known that even after the previous question was ordered, while it cut off debate, it did not cut off the offering of amendments.

Mr. MORRISON. They way I look at this: There is an old adage, when you are arguing a lawsuit and you have not anything concrete on the facts to argue about, that you look at the courthouse or look at the opposing lawyer, and argue the courthouse or the lawyer. As far as this bill is concerned, there was ample opportunity to be heard. Any Member or any witness had ample opportunity to be heard.

CALL OF THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. HARRIS). The Chair will count. [After counting.] One hundred and eighty-six Members are present, not a quorum.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 145]

Andersen, H. Carl	Hays, Ark.	Preston
Bass, Tenn.	Hillings	Radwan
Boggs	Jackson	Sadlak
Brooks, La.	Jenkins	St. George
Burdick	Jones, Mo.	Shelley
Carnahan	Keating	Shuford
Christopher	Landrum	Sieminski
Clark	Lennon	Smith, Kans.
Cretella	Lesinski	Spence
Dies	McCarthy	Springer
Eberharter	McIntire	Talle
Feighan	Marshall	Taylor
Frelinghuysen	Matthews	Thompson, Tex.
Friedel	Michel	Trimble
Gordon	Morris	Tuck
Hagen	Moulder, Mo.	Willis
Harrison, Nebr.	Poage	
	Powell	

The SPEAKER. On this rollcall 365 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

RETIREMENT FOR FORMER PRESIDENTS

The SPEAKER. The Chair recognizes the gentleman from Louisiana.

Mr. MORRISON. Mr. Speaker, as I was saying before the last quorum call, this bill has been unanimously passed by the Senate. It was before our full committee on three occasions and it was before two subcommittees prior to that time. Every witness or organization that asked to be heard had the opportunity to be heard either by a subcommittee or the full committee.

When the full committee convened in order to take up the bill, everyone was given ample opportunity to speak for or against the bill, to say whatever they wanted to say, and if they had wanted to offer amendments that opportunity was given them.

Mr. Speaker, as far as this legislation is concerned, it is only fair and just. The Vice President today is taken care of by retirement legislation. He gets the same retirement as a Member of the United States Senate. Federal judges and Supreme Court Judges get full salary for the remainder of their lives after they have retired.

Why should not the President of the United States receive $25,000 a year as retirement when as President there is no way in the world for him to get any retirement except through a bill of this sort? Members of the House get retirement, Members of the Senate get retirement, the Vice President gets retirement, the Federal judges get retirement, and all of the employees of the Federal Government get retirement. Why discriminate against the highest official we have in these great United States?

As I see it, and as the committee saw it—or it would not have reported the bill favorably—what we are doing here is taking care of ex-Presidents with a very modest retirement after consideration of what he has received and the service he rendered as President of the United States. He cannot live as an ordinary citizen when he retires from the Office of President of the United States.

This bill also takes care of the widows of ex-Presidents. Mrs. Woodrow Wilson at the present time is receiving only $5,000 a year. Under this bill she would get $10,000 a year annually until her death. The $5,000 she has been getting would be canceled out.

Mr. Speaker, there is nothing unfair about this bill. I do not see why this Congress should be put in a position of saying that no man can be President of the United States unless he has tremendous resources, financially and otherwise, to live after he has served as President of the United States.

There is no Member of the House who wants a President of the United States, when he retires from office, to take advantage of the high position of that office and take some job which any ex-President could take with some firm, if he chose, because of his prestige. He could get anywhere from $100,000 to $200,000.

Why should we as Congressmen say that a President—a man who has rendered dedicated service in the highest office of the Nation—should not receive the modest sum of $25,000 per year? And remember, that is subject to the income tax, like the income of everyone else is.

With reference to the office staff, every one knows that $50,000 is not going very far and will not hire more than 4, 5 or 6 people, possibly 8, to take care of the many important duties of a former President and the thousands of pieces of mail that come in and have to be answered by every individual who has served his term in the White House and becomes an ex-President.

I say, let us give the House a chance to debate this bill, let us have full debate, and then go ahead and report the bill favorably.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. WAINWRIGHT].

Mr. WAINWRIGHT. Mr. Speaker, I wonder whether it would be possible to take this bill out of the realm of petty partisan politics. It occurs to me, and, I would so suggest to my friends on this side of the aisle, that while this has been jokingly referred to as a bill for a particular past President, some day the shoe might be on the other foot. We might be the ones who are crying at the bar.

You all know as well as I do that the demands on a past President are continuous, continuous from the moment that he is elected President until the moment the man dies. You all also know that his mail may contain 2,000 or 3,000 letters a day. A President, past or present, receives the kind of mail that needs reply. At the present time he has no staff nor is he authorized any staff to answer this mail.

A third point deals with widows of past Presidents. I do not think there is a Member on either side of the aisle who has ever failed to vote generously for pensions for widows of American servicemen. I would say to you that there is no greater service to our country than that of President of the United States. Consequently, his widow deserves at least equal treatment to that accorded widows of our military servicemen.

Finally, it just seems to me to be somewhat ridiculous to place on a partisan vein an effort to provide mild retirement benefits for the highest political office in the United States of America. I particularly urge my friends to apply common sense to this question. Use standards of fairness and decency, rather than petty vindictiveness.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. JOHANSEN].

Mr. JOHANSEN. Mr. Speaker, I should like to say at the outset that I associate myself completely with the statement of the gentleman who just spoke, and if we do get into general debate on this bill, I expect to speak in a nonpartisan vein and against the bill. I am opposed to the bill and I am opposed to the rule.

I want to say, first of all, to the distinguished gentleman from Louisiana that I am not disposed to quibble with him at all as to what happened or did not happen in the committee proceedings. I simply say this, whether it was the failure of some of us to have the necessary acute parliamentary know-how or whether it was the ruling of the chairman that there was no opportunity to present amendments, I simply want to say if the gentleman secures any satisfaction from the knowledge that this wide open, loose legislation has come to this floor under those auspices and under those conditions, he is welcome to all the satisfaction he can get from it. And, I want to say further, the very fact that before this rule is adopted there is proposed here an amendment to reduce the amount of the office staff allowance is the best possible proof that this resolution ought not to be adopted and that this legislation should go back to the committee for proper legislative handling.

In that connection, let me point out that this bill, as has been mentioned, originated in the other body. The other body saw fit in their wisdom to attach the office staff allowance formula to the formula of the office staff allowance of the other body. I raise a very serious question as to what might be the fate of this proposed $60,000 ceiling if it goes to conference with the other body. In that connection let me say that if this limit does not prevail and if we adhere to the schedule of the salary allowance for the staff of a Senator from the least populous State, we are guaranteeing an automatic increase in the amount of that allowance every time an increase is voted in the allowance for a Senator from the least populous State.

In addition to that, may I point out that the bill which was introduced 2 years ago and passed in the other body, and which came before a subcommittee of which I was a member, called for a pension of $22,500. This bill calls for $25,000. We are starting something that will move in only one direction, and that is up.

As a further indication of the very urgent need for legislating in a proper and orderly fashion in this matter, may I direct the attention of the House to the fact that I have heard a dozen proposals, some serious, some offered with a desire to kill the bill and the intent of the bill, that were discussed in the cloakrooms and on the floor of the House this afternoon. That is no way to legislate in this field.

Mr. Speaker, may I further point out that in this bill as presented this afternoon, whether the $60,000 ceiling applies or whether we have the original formula, there is no provision whatever to define the duties of the office staff, to circumscribe them, to describe the status of the staff of a former President with respect to the Hatch Act, with respect to personnel policies and benefits, including retirement benefits of this little bureaucracy that it is proposed to build up around a nonexistent office.

As I hope to develop in the general debate, if the rule and bill are adopted, we will have achieved the ultimate in the bureaucratic breakthrough into the stratosphere of reckless spending if we can start building bureaucracies around nonexistent offices.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, if the rule is adopted it is my purpose to discuss the bill somewhat at length. But I do wish to give notice that I expect to offer three amendments, one to include former Vice Presidents, with the provision that they cannot draw a double retirement. There is another provision that the office shall be in a place which the President shall designate, to which I wish to add the word "continental" to the United States. And inasmuch as the bill does not provide any service to be rendered by those who accept the monetary allowance, I shall ask that they be required to make a report to the Congress and to tell us what we are to do.

Mr. NEAL. 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 West Virginia?

There was no objection.

Mr. NEAL. Mr. Speaker, I oppose this legislation.

During my recent visits to my District I found outspoken evidence that the people back home are extremely critical of the extravagance of the Congress.

With existing rates of taxation affecting citizens at all levels and with an anticipated increase in support of our national defense, there is much anxiety over the future ability of this country to support existing mandatory annual expenditures imposed on the Treasury by previous sessions of Congress without endangering the Nation's credit.

The people of my District are not pressing Congress for unreasonable demands upon the Federal Treasury. They want economy in all branches of Government. They fear national debt and the inflation it generates. They see their savings and their investments gradually being washed out. They are wondering if individual thrift and initiatives, the foundation of our economy, are rapidly

giving way to paternal government's leveling process.

This is just one of the numerous bills before this session of Congress that places the freewheeling label on too many of its members, a freedom to spend taxpayer's money in reverse to that which most of them would follow in the conduct of their own private business.

I doubt seriously that any man who had been honored by the people to serve as their chief executive would like to be placed in the position of receiving what amounts to charity.

Most ex-Presidents will most likely be able to support themselves in respectable fashion and therefore would prefer to refuse retirement payments from the Nation. Should occasions arise in the future where misfortune befalls a former president, the Nation through its Congress will be happy to make due provisions for relief, a moral responsibility no future Congress would want to evade.

In considering further legislation to create a demand for more and more treasury outgo the Members should put themselves in the place of those citizens who are compelled to undergo considerable self denial to meet tax demands imposed upon them.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. CEDERBERG].

Mr. CEDERBERG. Mr. Speaker, I take this time in order to clear up the question whether or not amendments were allowed in the committee meeting. I have the records of the committee meeting in my hand.

The Chairman recognized Mr. MORRISON to present the report of his Subcommittee on S. 607.

Mr. DAVIS moved that S. 607 be referred back to the subcommittee and stated his reasons including the fact that only 4 of the 7 subcommittee members were able to be present when the subcommittee voted to report the bill.

Mr. GROSS seconded the motion.

The Chairman stated that the committee should receive the subcommittee report first.

Mr. MORRISON offered a substitute motion, that the committee report S. 607 with the subcommittee amendments, and briefly summarized the report of the subcommittee.

Mr. YOUNG stated a parliamentary inquiry: What motion is before the committee?

The Chairman replied that Mr. MORRISON'S substitute is before the committee.

Mr. HOLIFIELD moved the previous question on Mr. MORRISON'S *substitute*.

The chairman asked that Mr. HOLIFIELD withhold his motion in order to permit further debate. He also pointed out that no further hearings were needed, that all members are completely familiar with the legislation, and that it had been considered a number of times by the committee over the past several years.

Mr. HOLIFIELD moved the previous question.

Mrs. PFOST seconded the motion.

Mr. GROSS stated a parliamentary inquiry: Does the motion on the previous question foreclose amendments and cut off debate?

The chairman ruled in the affirmative.

Then it goes on further.

The chairman ordered the yeas and nays and directed the counsel to call the roll.

On the rollcall there was a vote.

Mr. REES asked if this did not mean that no amendments other than the subcommittee amendments are in order?

The chairman ruled in the affirmative.

Therefore, there were no amendments allowed.

That is the official record of the committee.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Speaker, there are three persons, the President and two former Presidents who would be the beneficiaries of this legislation: Former President Hoover, who probably would not accept the pension; President Eisenhower, who does not need it and probably would not accept it; and former President Truman. As far as I am concerned, if Mr. Truman wants to continue his cheap, demagogic political activity, let him do it on his own time and at his own expense and not at the taxpayers to the extent of approximately $125,000 per year.

Mr. BOLLING. Mr. Speaker, I yield the remainder of the time to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. McCORMACK. Mr. Speaker, we have gone along very well during this session with a minimum of partisan politics. I hope the debate on this bill will go along with the atmosphere of this session to date. Certainly we Democrats have shown our leadership in connection with controversial matters on many occasions during this session and during this Congress.

I regret very much the innuendoes contained in the speech my friend from Iowa [Mr. GROSS] made about former President Truman. There are many things that would be best left unsaid. Of course there is nothing he said that I regret but the innuendo that the gentleman undertook to convey.

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

Mr. McCORMACK. I mentioned the gentleman; of course, I will yield.

Mr. GROSS. The gentleman is not challenging any of the facts in my statement, is he?

Mr. McCORMACK. I have no knowledge about some of them. I am not challenging them because I have no knowledge, but I do challenge the manner in which the gentleman expressed himself.

With reference to the last gentleman, he made a very important speech.

Let me call your attention to the fact that former President Truman is backing President Eisenhower in the Middle East and in his foreign policy. We are all types; none of us are the same. We all have our little characteristics and our oddities, and those all can be construed differently. Harry Truman is a fighter; everyone knows that. Everyone knows he speaks directly from the shoulder. Everyone knows he does not have any meanness in his mind at any time.

This bill here is not based on need or anything else. I would be supporting the bill if we did not have a past President who was elected President as a Democrat. I would be supporting this bill if we had past Presidents who had served who were elected as Republicans. You notice I never speak of a President as Democratic or Republican, but as President. He is elected as such. As Presidents they serve all the country.

This to me seems to be common sense. It seems to me wise. This bill is not before us as the result of the request of any individual. There is a pretty universal demand for it. The press of the country are about as universally in support of this bill as I have ever seen them on any public question. Only the other day I placed in the RECORD an editorial from the Boston Herald, and the Boston Herald certainly is not a Democratic newspaper. Why are some of us supporting this bill? We are supporting it because we think it is a wise thing to have on the statute books of our country—not based on need—not based on necessity—but based on decency. We give our five-star generals or their equivalents a pension, and they are entitled to it. That is done by act of Congress. We give them 8 aides—1 colonel, 1 major and 5 enlisted men. I think it is a good thing to do. There are five who already occupy that status—generals and admirals. President Eisenhower occupied the same status until July 12, 1952, when he resigned. These men are in an active status, of course, subject to call. But, in a sense so is a past President of the United States. You and I know that if any President of the United States were to call a former President for service or for any duty that that past President would respond. When a President is in the service, he is Commander in Chief of our Army and Navy by reason of being President. So a former President at the time that he was President of the United States nominated the very men, the five-star officers or their equivalents who are now getting $25,000 a year for life and who now have the 8 aides—1 colonel, 1 major, and 5 enlisted men, and properly so. As I say, at some time or another those five-star officers or their equivalent were nominated by a President of the United States.

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

Mr. McCORMACK. I yield to the gentleman.

Mr. GROSS. If I recall correctly, the White House asked former President Truman to go over to the Middle East early in 1957 or in the spring of 1957 and, if I recall correctly, the former President did not respond.

Mr. McCORMACK. My impression is, if I recall correctly, the President of the United States did not invite President Truman. Someone else invited him. That is a little different situation.

Mr. Speaker, let us see what some of the reasons are for this legislation. Let us look back in history. This is 1958, but we all know that the history of yesterday can happen again tomorrow in relation to someone who serves our country as Chief Executive or in relation to his widow.

What is some of the information we have and evidence as to the financial condition of Presidents of bygone generations after they left the office?

In view of the financial difficulties endured by many of the past Presidents of the United States after they have left office it is altogether fitting and proper, it seems to me, and in fact it is morally obligatory, that the Nation provide suita-

bly in a material way for former Presidents and their wives during their lifetime.

And this is not as a matter of need, but as a matter of right which is recognized by the people of the United States through their representatives here in the Congress.

Washington's estate has been estimated at $530,000, but the fact remains that both he and Jefferson ended their days as land-poor country squires. The decline of Virginia plantations, a farm problem of itself today, was the chief cause, but regardless of the cause, that they should have suffered financial embarrassment is inexcusable. In desperation the first President tried to sell sections of Mount Vernon, and Jefferson, who finally mortgaged Monticello for all that he could get and was forced to sell other property as well as his private library, at one time even thought of liquidating Monticello in a lottery. Fortunately public protest and private funds intervened.

James Madison and James Monroe had similar experiences. Madison, who had viewed Jefferson's bankruptcy with alarm, labored painfully with rheumatic hands and failing eyesight to reproduce his notes of the Constitutional Convention in order that he might leave his widow an adequate inheritance. Even so, Dolly Madison sold them to Congress for a fraction of their worth and spent her declining years in the Nation's Capital, as stated by those of her period, in honored, but genteel poverty, her food often supplied from the market basket of her neighbor, Daniel Webster.

James Monroe, even as his predecessors, suffered financial setbacks after his retirement from office. Losing his Virginia estate to creditors, he moved to New York after the death of his wife in 1830 to make his home with his daughter. There he spent his final days living on the charity of relatives.

Andrew Jackson had his financial woes also and to such an extent that on one occasion he was led to write, "Poverty stares us in the face." Need of funds for his beloved foster son, and not for the honor involved, occasioned him, though in ill health, to travel to New Orleans for the 25th anniversary of the famous battle for the honorarium involved.

One has only to go back to President Grant for an example of a former President in really extreme need. Leaving the White House without an occupation he experienced a sequence of financial misadventures which left him penniless. While suffering from cancer of the throat he started writing his memoirs, which after great hardship he succeeded in finishing only a short time before he died. The sale of his memoirs netted his family $450,000.

Widows of former Presidents have fared somewhat better. A few were given grants of the remaining years' salary after the death or assassination of their husbands and others, beginning with Mary Todd Lincoln, were voted a $5,000-a-year pension by Congress.

The disposition of former Presidents is a moral responsibility for the Nation. For example, Great Britain, in recognizing such responsibility to its leaders, provides pensions for its Prime Ministers even as we do for our retired generals and admirals. We should certainly do as well for our former Presidents.

Oh, we are not here as Democrats or Republicans. This is not a measure of that kind. Let a man vote against it if he desires, but let us keep personalities out of it. Let us not repeat the history of our country by not making some provision for Presidents who, after they have left office, have suffered serious financial losses.

I urge the adoption of the rule and the passage of the bill.

Mr. BOLLING. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

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

The yeas and nays were ordered.

The question was taken; and there were—yeas 254, nays 126, not voting 49, as follows:

[Roll No. 146]

YEAS—254

Addonizio	Dorn, N. Y.	King
Albert	Dorn, S. C.	Kirwan
Allen, Calif.	Doyle	Kitchin
Anfuso	Durham	Kluczynski
Arends	Dwyer	Knutson
Ashley	Edmondson	Lane
Ashmore	Engle	Lankford
Aspinall	Everett	LeCompte
Auchincloss	Evins	Lennon
Ayres	Fallon	Libonati
Bailey	Farbstein	Loser
Baldwin	Fascell	McCormack
Barden	Fenton	McFall
Baring	Fisher	McGovern
Barrett	Flood	McIntosh
Bass, N. H.	Fogarty	McMillan
Bates	Forand	Macdonald
Baumhart	Fountain	Machrowicz
Bennett, Fla.	Frazier	Mack, Ill.
Blatnik	Fulton	Madden
Blitch	Garmatz	Magnuson
Boland	Gary	Mahon
Bolling	Gathings	Mailliard
Bonner	Gavin	Martin
Boykin	Glenn	May
Boyle	Granahan	Meader
Breeding	Gray	Merrow
Brooks, La.	Green, Oreg.	Metcalf
Brooks, Tex.	Green, Pa.	Miller, Calif.
Brown, Ga.	Gregory	Miller, Md.
Brown, Mo.	Griffin	Mills
Broyhill	Griffiths	Mitchell
Burleson	Hagen	Montoya
Byrd	Hale	Moore
Byrne, Ill.	Haley	Morano
Byrne, Pa.	Halleck	Morgan
Canfield	Harden	Morrison
Cannon	Hardy	Moss
Carrigg	Harris	Multer
Celler	Haskell	Murray
Chamberlain	Hays, Ohio	Natcher
Chelf	Healey	Nix
Chenoweth	Hébert	Norrell
Church	Hemphill	O'Brien, Ill.
Clark	Heselton	O'Brien, N. Y.
Coad	Holifield	O'Hara, Ill.
Coffin	Holland	O'Neill
Collier	Holmes	Osmers
Colmer	Holtzman	Ostertag
Cooley	Horan	Passman
Corbett	Huddleston	Patman
Cunningham, Iowa	Hull	Patterson
	Hyde	Pelly
Curtis, Mass.	Ikard	Perkins
Curtis, Mo.	Jarman	Pfost
Dague	Jennings	Philbin
Davis, Tenn.	Johnson	Pilcher
Dawson, Ill.	Jonas	Porter
Delaney	Jones, Ala.	Price
Dellay	Judd	Prouty
Dent	Karsten	Quie
Denton	Kean	Rabaut
Diggs	Kearney	Rains
Dingell	Kee	Reece, Tenn.
Dixon	Kelly, N. Y.	Rees, Kans.
Dollinger	Keogh	Reuss
Donohue	Kilday	Rhodes, Pa.
Dooley	Kilgore	Riehlman
Riley	Sisk	Ullman
Rivers	Smith, Miss.	Vanik
Roberts	Smith, Va.	Vinson
Rogers, Colo.	Spence	Vorys
Rogers, Fla.	Staggers	Wainwright
Rogers, Mass.	Steed	Walter
Rogers, Tex.	Sullivan	Watts
Rooney	Teague, Tex.	Westland
Rutherford	Teller	Whitener
Santangelo	Tewes	Wier
Saund	Thomas	Wigglesworth
Saylor	Thompson, La.	Withrow
Scott, N. C.	Thompson, N. J.	Wolverton
Scott, Pa.	Thomson, Wyo.	Wright
Selden	Thornberry	Yates
Sheehan	Tollefson	Zablocki
Sheppard	Udall	Zelenko

NAYS—126

Abbitt	Ford	Norblad
Abernethy	Forrester	O'Hara, Minn.
Adair	Frelinghuysen	O'Konski
Alexander	George	Pillion
Alger	Grant	Poff
Allen, Ill.	Gross	Polk
Andrews	Gubser	Ray
Avery	Gwinn	Reed
Baker	Harrison, Va.	Rhodes, Ariz.
Beamer	Harvey	Robeson, Va.
Becker	Henderson	Robison, N. Y.
Beckworth	Herlong	Robsion, Ky.
Belcher	Hess	Schenck
Bennett, Mich.	Hiestand	Scherer
Bentley	Hill	Schwengel
Berry	Hoeven	Scrivner
Betts	Hoffman	Scudder
Bolton	Holt	Seely-Brown
Bosch	Hosmer	Sikes
Bow	James	Siler
Bray	Jensen	Simpson, Ill.
Broomfield	Johansen	Simpson, Pa.
Brown, Ohio	Kilburn	Smith, Calif.
Brownson	Knox	Springer
Budge	Krueger	Stauffer
Bush	Lafore	Taber
Byrnes, Wis.	Laird	Teague, Calif.
Cederberg	Latham	Utt
Chiperfield	Lipscomb	Van Pelt
Clevenger	McCulloch	Van Zandt
Cramer	McDonough	Vursell
Cretella	McGregor	Weaver
Cunningham, Nebr.	McVey	Wharton
	Mack, Wash.	Whitten
Curtin	Mason	Widnall
Davis, Ga.	Matthews	Williams, Miss.
Dawson, Utah	Miller, Nebr.	Williams, N. Y.
Dennison	Miller, N. Y.	Wilson, Calif.
Derounian	Minshall	Wilson, Ind.
Devereux	Mumma	Winstead
Dowdy	Neal	Younger
Fino	Nicholson	
Flynt	Nimtz	

ANSWERED "PRESENT"—1

Roosevelt

NOT VOTING—49

Andersen, H. Carl	Harrison, Nebr.	Powell
	Hays, Ark.	Preston
Anderson, Mont.	Hillings	Radwan
	Jackson	Rodino
Bass, Tenn.	Jenkins	Sadlak
Boggs	Jones, Mo.	St. George
Buckley	Kearns	Shelley
Burdick	Keating	Shuford
Carnahan	Landrum	Sieminski
Christopher	Lesinski	Smith, Kans.
Coudert	McCarthy	Talle
Dies	McIntire	Taylor
Eberharter	Marshall	Thompson, Tex.
Elliott	Michel	Trimble
Feighan	Morris	Tuck
Friedel	Moulder	Willis
Gordon	Poage	Young

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Kearns for, with Mr. Sadlak against.

Mr. Keating for, with Mr. Jenkins against.

Mr. McCarthy for, with Mr. Radwan against.

Mr. Boggs for, with Mr. Burdick against.

Mr. Shelley for, with Mr. Coudert against.

Until further notice:

Mr. Carnahan with Mr. Hillings.

Mr. Friedel with Mrs. St. George.

Mr. Shelley with Mr. McIntire.

Mr. Rodino with Mr. H. Carl Andersen.

Mr. Lesinski with Mr. Jackson.

Mr. Preston with Mr. Michel.

Mr. Landrum with Mr. Smith of Kansas.
Mr. Trimble with Mr. Harrison of Nebraska.
Mr. Marshall with Mr. Taylor.
Mr. Young with Mr. Talle.

The result of the vote was announced as above recorded.

Mr. MURRAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 607) to provide retirement, clerical assistants, and free mailing privileges to former Presidents of the United States, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 607 with Mr. WALTER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. MURRAY. Mr. Chairman, I regret exceedingly that so much political heat and bias have been generated in the discussion of this measure during the consideration of the rule. This bill should be considered on its merits apart from any personal or political consideration. The measure is not political and is in no way partisan.

As has been stated in the debate on the rule on this bill, the distinguished Speaker of the House, the majority leader, Mr. MCCORMACK, and the minority leader, Mr. MARTIN, all came before our committee and spoke in favor of an annuity or retirement for the ex-Presidents of the United States. I hope that no Member will cast his vote on this bill upon the basis of whether he either likes or dislikes a former President.

As I see it, this legislation is just a proper recognition to the ex-Presidents of our country for their services as President. This legislation is not on a need basis. It is doing honor and justice and showing just and proper recognition to the recipient and holder of the highest position and office in the world.

This legislation was considered fully and fairly by our committee. There was some division, but the bill was reported out favorably. I hope that no Member today will further engage in any political bias or personal favoritism or dislike for any of the two great men who have served as Presidents and are now the only living ex-Presidents of our country.

This committee of course did not consult our two ex-Presidents to see whether or not they wanted this annuity. We did not think it was proper to ask former President Truman or former President Hoover whether he favored this legislation or whether he needed this annuity of $25,000. We did not think it was fitting for us to do so. I can assure you as chairman of this committee that no one has contacted me representing ex-President Truman or ex-President Hoover in behalf of this legislation.

I am sure the great majority of this body will vote overwhelmingly in favor of this legislation. Today the President of the United States is virtually the only officer of the Federal Government not covered by some sort of retirement program.

If ex-President Truman had continued in the Senate instead of becoming President he would today be qualified for retirement under the Congressional Retirement Act. Our present Chief Executive, President Eisenhower, as long as he was a general would be entitled to retirement on an annuity as a general of the Army.

This legislation should appeal to the membership on these grounds:

The Office of the President is the greatest Office in the world.

Its duties are the most trying and exacting in the world.

A former President is considered a dedicated statesman, available, if desired, for service to our country.

Once a President, always a President.

Such legislation, as the Senate report states, "is not only a matter of equity, it is a matter of good business for the American people."

The interest of the American people in the President does not cease when his term of office has ended.

His responsibility does not end when his term of office has ended.

The public demands—speeches, conferences, advice, correspondence, and otherwise—after his service of President is over, continue.

A former President is not expected to engage in any business or occupation which would demean the office he once held.

That one term as President of the United States, never mind two terms, is a lifetime of responsibility and strain, even in a more normal and peaceful world than we have today.

The impact of history in the making under our form of government is the President's sole responsibility as far as foreign affairs is concerned, and it must be a tremendous responsibility, some of the decisions a President of our country has to make, particularly in a period of world history such as that we are now undergoing.

I do not know whether former President Truman or former President Hoover will elect to choose this annuity. That is a decision for them personally to make. But, I do think they should be given the opportunity and they should have the right to have this annuity. If they feel that they should receive the annuity that is a matter that they themselves should determine and for them to choose to accept this annuity, if they so desire. I do hope that the Members will consider this legislation from the standpoint of what is good for this country and from the standpoint of what we owe to an ex-President of the greatest nation in the world. I do hope that they will not look at it from a selfish, a political, or a partisan basis. This legislation ought to pass.

Mr. REES of Kansas. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. JOHANSEN].

Mr. JOHANSEN. Mr. Chairman, at the outset I should like to completely and unqualifiedly associate myself with the very splendid statement made by the distinguished majority leader and by the distinguished chairman of the committee for whom I have the utmost respect. This is not a partisan issue. This is not an issue of personalities.

Mr. CRETELLA. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. One hundred and twelve Members are present; a quorum.

The gentleman from Michigan is recognized.

Mr. JOHANSEN. I would like to add further that this is not only not a partisan issue nor a matter of personalities, but this is not an issue affecting only two living ex-Presidents of the United States. This is permanent legislation and will affect and involve all subsequent former Presidents of the United States. I think we will do well and have a better perspective of the issues involved if we bear that fact in mind.

I think the best way I can sum up my opposition to this bill is to say that I am opposed to institutionalizing and subsidizing the nonexistent office of former President of the United States. As we are all by now surely aware, this is no mere proposal of a pension for former Presidents.

At that point let me suggest that if we are disposed to address ourselves to the problem of a pension for former Presidents, it should be approached on the basis of other existing pension provisions for the executive and legislative personnel, with specific recognition of such factors as length of service, and, parenthetically, one President of the United States served only a little longer than 2 years. I think it should be approached on the matter of financial participation in the pension program by the prospective beneficiary, as is the case with the Vice President of the United States. Finally, I think that the program ought to be integrated into any provisions and pension entitlements to which the former President would be entitled by reason of any other Federal service.

Now having said that, let us address ourselves to the two points of the institutionalizing and subsidizing of a nonexistent office of former President. I observe that my distinguished chairman has repeated the phrase earlier used by the distinguished majority leader in his testimony before the committee when he said, "Once a President, always a President." Now I contend that the record does not quite bear out that interpretation of the status of former Presidents. History does not bear it out with respect either to the attitude of former Presidents themselves or the attitude of their contemporaries toward former Presidents. These attitudes have been as varied and divergent as the individuals who have retired from that exalted office. And because there has been no effort to formalize or institutionalize the status of former Presidents, many of these great men have made invaluable contributions to their country after leaving the White House, according to their own peculiar interests, capacities, and opportunities.

I am sure that the Members of this House from the great State of Virginia are familiar with the still available, published, priceless correspondence between Presidents Adams and Jefferson,

and the contributions to the philosophy of government of the distinguished Virginia trinity of Presidents—Jefferson, Madison, and Monroe.

It was no institutionalized or subsidized ex-President, John Quincy Adams, who served 16 brilliant years as a Member of this House, the same Adams who met criticism on the occasion of his first nomination for that office with the comment:

> No person could be degraded by serving the people as a Representative in Congress, nor would an ex-President of the United States be degraded by serving as a selectman if elected by the people.

Perhaps we are as confused today as to what is involved in maintaining the dignity of a former President as were those who criticized ex-President John Tyler for accepting the position of county road overseer in Virginia. Mr. Tyler's answer was not that of a man who needed either a pension or an administrative assistant to maintain that dignity:

> Very well, if the office cannot reflect honor upon me, I will reflect honor on that office.

With no unkindness toward one of our former Presidents, I must observe that neither a pension nor an office staff would have enhanced the dignity of ex-President Buchanan — laboriously writing memoirs seeking to justify policies which, however sincere, had not averted the tragic War Between the States.

As for subsequent public service, unaided by either pension, office staff, or franking privilege, I point out that ex-President Washington became lieutenant general commanding our troops when war with France threatened; ex-President John Quincy Adams, as already noted, became a Member of Congress; Ex-President Johnson became a United States Senator; ex-President Cleveland was returned to the White House after a 4-year absence, and ex-President Taft became an honored Chief Justice of the United States.

And, on the other side of the picture, politics and public sentiment being what they were, I am sure that having had this institutionalizing process ex-President Theodore Roosevelt would not have had one whit more chance of achieving his life's ambition of commanding troops in World War I.

I am sure that the honor that has been achieved and the recognition that has been achieved by Herbert Hoover as ex-President was achieved on account of his innate dignity and would not have been enhanced by this institutionalizing process.

And in that connection I wish the distinguished majority leader were present to hear this: I pay honor to former President Truman, because he recognized the dignity and the talents of Mr. Hoover and availed himself of them for the Nation's benefit.

In other words, it is not any lack of respect, but, on the contrary, my great respect for the Office of the President of the United States and those who have occupied the exalted position which prompts my vigorous opposition to institutionalizing this nonexistent office of former President. I want to keep it a nonexistent office. And in that connection I point out there is a dangerous and detrimental side to this thing when you recall that at one time in the days immediately following Fort Sumter, one former President of the United States, Franklin Pierce, proposed that his four colleagues in the category of ex-Presidents: Van Buren, Tyler, Fillmore, and Buchanan, join him in a meeting in Philadelphia to formulate and proffer unsolicited counsel to President Lincoln. Pierce was a sharp critic of Lincoln's policies, Van Buren, a stanch supporter of Lincoln, squelched the scheme.

What may we be creating, in the way of some future quasi-official interference by former Presidents in event we institutionalize the status of this now nonexistent office?

Those who have served in that office can and will continue to serve their Nation after they leave the Presidency in accordance with their own abilities and the will and temper of the sovereign people. I want to preserve the priceless tradition—as old and venerable as the philosophy expressed by Benjamin Franklin in the Constitutional Convention—that, under the American system, those who have served for a time, by the voters' mandate, as servants, will, at the end of their term, return to the rank of the rulers.

I want to keep that tradition and I urge that you preserve the ancient landmarks with respect to that tradition. Under no condition do I want to see anything faintly suggesting an emergent House of Lords.

And now let me say just a word or two about subsidizing this nonexistent office, and I say this with no criticism whatever. I am citing this quotation with no criticism whatever, but in a television interview with Mr. Truman on February 2 of this year Edward R. Murrow asked Mr. Truman if it was not true that there was a proposal for a $25,000-a-year pension, on which Mr. Murrow observed there would have to be taxes paid; and Mr. Truman said:

> Yes, that is probably all right. Well, that is better than nothing, of course, but then that is a penurious way of taking care of the situation.

Mr. Truman went on and made this interesting observation:

> The thing that is—that is needed worse than anything else is enough help to carry on the—what's left of the Office of the President after he gets out.

I am not being critical of Mr. Truman for that position. I would say that that is one philosophy of an ex-President. I offer by way of contrast the philosophy expressed by former President Coolidge apropos of someone who wanted to invoke his influence, that this individual apparently did not realize that the power had been turned off. I like to keep that conception of a former President—that there is not something left of the Presidency but that under the American tradition the power has been turned off.

What concerns me here is the fact that historically—and please bear in mind I am not talking about living former Presidents, I am talking about all of the former Presidents in the 161 years since we acquired a former President—former Presidents have not always fallen into the category of true political retirees in any sense of the word. Many have remained not only highly controversial figures but active participants in the political arena and even active candidates for the office they once held.

Van Buren, as a former President, was a subsequent nominee of a political party for the White House. Grant in 1880, 4 years out of the White House, if my memory serves me right, was placed in nomination in the Republican Convention for a third term. Cleveland, as I have already observed, was a successful nominee for the Presidency after 4 years out of office. Theodore Roosevelt ran in 1912 after a 4-year retirement. Presumably such situations will be duplicated in the future. Admittedly, they will not be applicable to the present former Presidents.

Mr. DOOLEY. Mr. Chairman, will the gentleman yield?

Mr. JOHANSEN. I yield to the gentleman from New York.

Mr. DOOLEY. I want to compliment the gentleman on the speech he is making regarding ex-Presidents. Let me ask him, is it not a fact that four of our Presidents experienced the humiliating experience of bankruptcy—Jefferson, Madison, Monroe, and Grant?

Mr. JOHANSEN. There is no question about that whatever. May I point out to the gentleman, however, that the facts of the matter are that since President Theodore Roosevelt, the smallest estate left by any former President was a quarter of a million dollars. The facts are that the present salary of the President of the United States, with his expense allowance, is vastly greater even by inflated values than was that of earlier Presidents. The further fact is that there is no Member of this House, I am certain, who would permit the situation to develop which developed in the cases of those four individuals.

Mr. DOOLEY. I thank the gentleman.

Mr. JOHANSEN. What are we providing, I should like to ask, in the way of taxpayer subsidized staffs, mailing privileges and office facilities, in view of this record of political activity on the part of other former Presidents, in support of such future political aspirations, aspirations completely proper in and of themselves but hardly something to be buttressed by these tax-financed perquisites as former President? And even where there is no direct, personal campaign for restoration to the glory formerly enjoyed, what about the personal or partisan political activities of a person enjoying the prestige of the former Presidency?

Mr. Chairman, I am going to say something, but before I say it I want to observe that I pay tribute to the vigor and forthrightness, under whatever language you want to phrase it, with which former President Truman has always found himself capable of expressing his views and sentiments. I respect him and honor him for it. What I am

asking now, please hear it out because it is not singling Mr. Truman out for criticism, is this. Are the taxpayers now to subsidize the "Give 'em hell" political activities of any former White House occupant in the future, even one of Republican persuasion if, perchance, that party should some day produce an ex-President of that temperament and colorful language?

Surely the experience of the 161 years which have elapsed since this Nation acquired its first former President, should teach us, even in these days of freewheeling extravagance and bureaucratic mushrooming, to exercise better judgment and discretion than is here proposed.

Mr. CRETELLA. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The chair will count. [After counting.] One hundred and one Members are present, a quorum.

Mr. MURRAY. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Chairman, I would like to first compliment the distinguished gentleman from Michigan [Mr. JOHANSEN] upon the informative statement which he has just made this body. I join him and join our distinguished chairman of the House Committee on Post Office and Civil Service, the gentleman from Tennessee [Mr. MURRAY], in saying that this legislation should be considered on its merits, without regard to any political partisanship.

Mr. Chairman, I am opposed to this legislation principally because it has not been properly worked out. At a time here when our national debt exceeds $275 billion, at a time when we are already on notice that the President of the United States is going to request this Congress before the end of this session to increase our national debt limit on a temporary basis by $3 billion and on a permanent basis by $10 billion, this is no time to bring to the Congress legislation to spend taxpayers' money which has not been carefully and thoroughly considered in committee.

Now, there are many undetermined matters in this legislation. I hope that if you have not read the committee report you will take the trouble now to get a copy of it and read it. It is short; it is a four-page committee report. Now, you would think that in reading a committee report on a bill which involves as much on an annual basis as this bill will involve it would cover all of the matters of comparative importance that are involved in the legislation. You would think that you could turn to this committee report and find, for instance, what the status of the employees under the former President would be, whether they would be under the Hatch Act, whether they would be able to carry on political activity or not, what their status would be with reference to retirement benefits for themselves when they have served a certain length of time. None of that is provided for in this bill. You cannot find any information on it by reading the committee report.

The fact that it has been announced here during the progress of the debate on the rule that there would be an amendment offered to cut down the amount which this bill carries for salaries of employees in this office demonstrates more strongly than anything I could say to you now that this bill was not properly considered in the committee, either in the subcommittee or in the full committee.

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

Mr. DAVIS of Georgia. I am glad to yield to the gentleman.

Mr. GROSS. Who proposes to offer that amendment? Does the gentleman know?

Mr. DAVIS of Georgia. I heard the gentleman from Missouri [Mr. BOLLING], who presented the resolution for the Rules Committee, say that an amendment would be offered to provide that the maximum amount which could be paid to employees of this office would be $60,000 per year gross.

Mr. MURRAY. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman.

Mr. MURRAY. I also announced that I would offer the amendment, and I shall do so at the proper time.

Mr. DAVIS of Georgia. I did not hear that statement made by the gentleman. I listened to the debate participated in by the distinguished gentleman, but I did not hear him mention that he intended to offer the amendment.

Mr. CRETELLA. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman.

Mr. CRETELLA. Mr. Chairman, I should like to ask the chairman of our committee whether or not that amendment was offered in the committee, or whether the committee had an opportunity to discuss the contents of the proposed amendment at any time?

Mr. MURRAY. No; but the gentleman had ample opportunity, as every member of the committee did at different times. This bill has been pending before our committee for the last 3 years. Never has anyone offered any amendment to the bill.

Mr. CRETELLA. That is true, but I ask the gentleman now whether, while we were in committee, and prior to the time the vote was taken on this bill, any opportunity was given to any member to offer any kind of amendment, with debate being shut off?

Mr. MURRAY. Certainly, there was. We took over 25 minutes to discuss the bill and no one offered an amendment.

Mr. CRETELLA. Apparently, the gentleman and I do not agree.

Mr. DAVIS of Georgia. Mr. Chairman, in line with the colloquy which has just occurred, the gentleman from Michigan [Mr. CEDERBERG] read from the minutes of the committee, and those Members who were here I am sure heard Mr. CEDERBERG as he read from those minutes. Two members of the committee asked the chairman of the committee whether or not the adoption of the previous question would permit any amendments to be offered or would cut off amendments from being offered, and the chairman answered, yes, it would cut off amendments.

Mr. MURRAY. Mr. Chairman, will the gentleman yield at that point?

Mr. DAVIS of Georgia. I yield to the gentleman.

Mr. MURRAY. There was 25 minutes of discussion before the motion on the previous question was ordered, and no Member offered any amendment. But he was given every opportunity to do so during those 25 minutes.

Mr. DAVIS of Georgia. Mr. Chairman, of course I have great admiration for the chairman of our committee. I have no disposition and no intention to get into any argument with him about his construction of what happened, and I have no intention of getting heated up and emotional about this bill. I am discussing it from the standpoint of merit and the opportunity to perfect it.

Mr. Chairman, I say with respect to what the distinguished gentleman from Tennessee just said, that a member of a committee has the right to rely on the ruling made by the chairman of that committee. And I do not think anyone will dispute that statement. And twice, as the minutes of the committee show, members asked about the opportunity to amend the bill and the chairman said there would be no opportunity if the previous question was ordered. The previous question was ordered then, and cut off the opportunity to offer any amendments. There can be no dispute about that and there is no dispute about it.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from California.

Mr. HOLIFIELD. The gentleman knows how highly I respect him.

Mr. DAVIS of Georgia. That is a mutual feeling.

Mr. HOLIFIELD. I must, on the record, take exception to the statement the gentleman from Michigan [Mr. CEDERBERG] made. We have the record right here. He read part of the record. He did not read it all. As mover of the previous question, I shall not take the gentleman's time now, but when I have time on the floor I shall give the full record as it occurred and show what actually happened.

Mr. DAVIS of Georgia. Certainly the gentleman has the right to do that, but I do not think the gentleman denies that what the gentleman from Michigan read from the minutes is a correct statement.

Mr. HOLIFIELD. I would just have to say that there was an opportunity for 30 minutes additional debate. The motion was made by the gentleman from New York [Mr. WAINWRIGHT] I believe, and the objection was made by the gentleman from Connecticut [Mr. CRETELLA]. I withdrew my motion for the previous question in order that that motion might be made. The gentleman from Connecticut, who is complaining about the right to offer an amendment, was the gentleman who objected to an extension of 30 minutes. The record shows that.

Mr. CRETELLA. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Connecticut.

Mr. CRETELLA. The gentleman from California long before the adjournment of the meeting made the motion for the previous question. As a result of that, some of those on the subcommittee who had supported the bill voted against it because debate was being cut off and amendments were being refused.

Mr. DAVIS of Georgia. Mr. Chairman, certainly I do not think any person familiar with the legislative procedure would feel that under those circumstances this bill had proper consideration or the proper time was allowed to perfect the bill. As I said, the fact that here on the floor today there are going to be offered amendments which it has become obvious are needed for this bill shows it was not properly considered and that there was no proper opportunity to perfect it either in the subcommittee or in the full committee.

During the 12 years I have been a Member of this body I have found that it is bad to try to write legislation on the floor of the House. The place to perfect legislation is in the subcommittee, when it is referred to a subcommittee, or in the full committee when it is not referred to a subcommittee.

The gentleman from Louisiana who sponsored this bill and who was chairman of the subcommittee said that it had had ample deliberation and that nobody asked for an opportunity to present witnesses. Let me ask you this: Would you consider that you had ample opportunity to offer witnesses to come before a subcommittee when the longest notice that was ever given by the chairman of that committee of any meeting was a half a day's notice?

Mr. MORRISON. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Louisiana.

Mr. MORRISON. I think if the gentleman will check with the counsel of the committee he will find there was no witness at any time that asked to appear before either the full committee or the subcommittee who did not get the opportunity. Not only did they know a subcommittee was appointed but it ran throughout the press of the United States that a subcommittee had been appointed. Anybody that had wanted to appear as a witness either individually or as representing an organization had that opportunity, but not one person individually or one person representing any organization asked counsel for the committee, as is the usual procedure, to testify on this legislation.

Mr. DAVIS of Georgia. I wanted to have some witnesses there and I wanted to have some information which had never been brought before either the subcommittee or the full committee.

Mr. MORRISON. I put off the subcommittee meeting just on the gentleman's account, because he was not here. On another committee I had asked that the committee meeting be put off, but the meeting was not put off.

Mr. DAVIS of Georgia. No; the gentleman did not put the committee meeting off, he did not call off one hearing because I was not there. He first called a meeting, one afternoon about 4:30, for 10 o'clock the following morning, when I, as chairman of another subcommittee whose meeting had been set for more than a week, had already subpenaed witnesses to attend the meeting of that subcommittee. The gentleman eliminated it for that reason.

Mr. MORRISON. When I got word of the fact that the gentleman was busy on another committee I called off the meeting of the subcommittee.

Mr. DAVIS of Georgia. That was one time.

Mr. MORRISON. I know, but the session is drawing to a close. How many times does the gentleman want to have a committee meeting called to suit his convenience?

Mr. DAVIS of Georgia. I want an opportunity in any legislation that I am going to vote on to spend the taxpayers' money—I want to have ample opportunity to study a bill and to perfect it.

Mr. FORRESTER. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield.

Mr. FORRESTER. As I understand the gentleman, the gentleman is against this legislation; is that correct?

Mr. DAVIS of Georgia. I certainly am.

Mr. FORRESTER. And I am too. I want to say to the gentleman in all frankness that instead of this legislation dignifying the Presidency, I think it would have a tendency to lower the dignity of that office.

Mr. HOFFMAN. Mr. Chairman, does the gentleman have time to yield?

Mr. DAVIS of Georgia. I yield briefly.

Mr. HOFFMAN. I understood notwithstanding what the RECORD may show tomorrow that the majority leader here today said that the moving of the previous question did not cut off the opportunity to offer other amendments.

Mr. DAVIS of Georgia. That is what he said.

Mr. HOFFMAN. That is not the rule.

Mr. DAVIS of Georgia. It was not the ruling that the chairman of the committee made, either.

Mr. HOFFMAN. Well, there it is.

Mr. DAVIS of Georgia. Will the gentleman cite the rule?

Mr. HOFFMAN. It is rule 17, section IV, and it does cut off all opportunity to offer other amendments. I do not know what he was thinking about.

Mr. DAVIS of Georgia. Certainly, the chairman of the committee ruled that when the question was asked of him.

Now, to get back to the meeting of the subcommittee called by the chairman, the gentleman from Louisiana. That meeting was called one afternoon at 4:30 p. m. for 10 o'clock the next morning. Certainly, there was not opportunity to prepare for witnesses. Those were the two times that the subcommittee was called to a meeting, and with a half day's notice each time.

Mr. MORRISON. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. Does the gentleman dispute that?

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. REES of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman.

Mr. MORRISON. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. No; I cannot yield further unless I can get some more time.

Mr. MORRISON. I will give you 1 minute of my time.

Mr. DAVIS of Georgia. I am glad to yield to the gentleman.

Mr. MURRAY. Mr. Chairman, I yield the gentleman 2 additional minutes.

The CHAIRMAN. The gentleman from Georgia is recognized for 7 minutes.

Mr. MORRISON. Just so that the record may show it, at no time did the distinguished gentleman from Georgia ever ask me as chairman of the subcommittee to hear any witnesses that he might have wanted to be heard, and he had ample opportunity day in and day out to confer both with me as chairman and also with counsel for the committee, if he had had witnesses that he wanted to be heard. And, if he had asked us and told us that he had witnesses that he wanted to be heard, if he had any, I am sure he would have been heard and his witnesses would have been heard.

Mr. DAVIS of Georgia. The gentleman called the subcommittee on two occasions—each time with a half day's notice. I say with all respect to the gentleman that that does not afford time to prepare to bring witnesses to a hearing.

Mr. Chairman, in reference to this amendment that is going to be offered to make the maximum amount to be paid to these employees $60,000, in the first place there was no intention manifested or announced to offer any amendment to this bill until some of us who opposed it appeared yesterday before the Committee on Rules and pointed out some of the absurd provisions in this bill. I pointed it out there, and I had with me to support my statement, the tabulation of clerk hire salary prepared by the disbursing officer, which shows that with $49,000 base salary that could run up to a gross employees' pay of $134,456 per year for the employees of this office of former Presidents. That is so ridiculous and so absurd that they turn up here today and say, "Yes, well, we concede that is too much, and we will offer an amendment to cut it down to $60,000 maximum." Well, I represent a district, Mr. Chairman, which has close to a million people in it. If the maximum is set at $60,000, the best that I can figure out of it is that that will be a base of approximately $32,000 for clerk hire.

That is nearly twice as much as is allowed me now to run an active office representing that many people. It is bad business to write legislation on the floor. This legislation has not been properly considered. It ought to go back to the committee. Hearings should be held on it, and a bill should be brought out which would provide for some of the needed amendments, one of them being, as I pointed out to begin with, something should be said as to what the status of these clerks will be; whether they will be under the Hatch Act; whether they can engage in political activities; what will be their status as to whether they will be

entitled to retirement under the retirement laws of the United States, and whether or not their widows and their survivors will be entitled to participate in the retirement fund. This is quickly hatched up legislation. If it is passed, it will have many imperfectons. It will be irresponsible legislation; and, finally, no one has asked for it. There is no demand for it. At a time when our budget for the coming year will be between $75 billion and $80 billion, we should have more consideration for the taxpayers than to put burdens like this on them, for which there is no demand and for which no one has asked.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield.

Mr. GUBSER. During the discussion between the gentleman from Louisiana [Mr. MORRISON] and the gentleman from Georgia, it seemed to me that the point was made that because of the approach of the close of the session it was not possible to give more complete hearings to this legislation.

May I ask the gentleman from Georgia when this bill was introduced first and referred to the Committee on Post Office and Civil Service?

Mr. DAVIS of Georgia. I will say to the gentleman from California that a bill similar to this was introduced and passed in the Senate in the 84th Congress, and sent to the Committee on Post Office and Civil Service. At that time the subcommittee to which it was referred was opposed to it and was about to report it unfavorably. The gentleman from Louisiana [Mr. MORRISON] asked the subcommittee not to do that, but simply not to take action on it. The bill was not passed in the House in the 84th Congress. It was introduced early in the 85th Congress, in February 1957, passed the Senate and has been in the House committee ever since, with no effort made to hold hearings on it, to have witnesses appear, and no effort made to perfect the bill.

Mr. GUBSER. Is it not true that, if legislation similar to this was before the House Committee on Post Office and Civil Service in March 1957, hearings could have been held last year or certainly early this year?

Mr. DAVIS of Georgia. I will say to the gentleman from California that something which passed for a hearing was held on that date, March 14, 1957, and the witnesses who appeared could not give information about even the most rudimentary features of this bill. For instance, we had a representative there from the Bureau of the Budget who was asked what the cost of the bill would be. He said he did not know. He was asked what the cost of the clerk hire would be, and he said he did not know. He was asked what the cost of the franking privilege would be, and he said he did not know. He was asked what the cost of office furniture and equipment would be, and he said he did not know, but he said he would furnish a statement for the record later, which he did.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

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

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. FORRESTER. Mr. Chairman, the proposal to grant a lifetime pension to our former Presidents, to provide them with franking privileges, and to furnish them a staff of clerks and assistants, and to pension their widows, is utterly amazing to me. I can see no benefits which would accrue to the taxpayers of America from the passage of this legislation. I can see many sound and impelling reasons why this type of legislation should not be saddled upon the people of this country.

So far as I am concerned, Mr. Speaker, I do not intend to have any part whatsoever in imposing upon the taxpayers of this country the burden of underwriting the support and maintenance of a person for the balance of this life simply because the voters of this country honored him upon one or two occasions with the highest office within the gift of the people. I simply cannot believe that any ex-President of the United States should have such an exalted opinion of himself as to think that this type of legislation is justified.

I have been advised that ex-President Hoover is a rich man, and that when he assumed the Presidency of the United States, that he refused to accept the salary fixed by law for that office, and remitted it to the United States Treasury. Also, he wants no pension or special privileges.

So far as I know, President Truman has never endorsed this legislation. So far as I know, President Truman has not become an object of charity in any way. President Truman received all the emoluments of that office, and they are his to do with as he pleases; but I cannot believe that President Truman could possibly feel that our Government owes him more material rewards.

It is further my opinion that when any public official leaves public office, he should leave the discharge of the duties of that office to the present occupant. It is my considered belief that even an ex-President of the United States is not entitled to any more favors than are the commonest people of this land.

Why in this world an ex-President will need a staff and clerical assistants simply because he was at one time President, I cannot answer. On the other hand, it would seem to me that if an ex-President wanted to meddle in politics, or, in a kinder vein, continue in politics, he would prefer to do it at his own expense and not through a subsidy of the people of this country who, in the very nature of things, many of whom would not be sympathetic to his views, which he would be allowed to impose upon the people through the subsidy. Certainly he should be willing to make his own living and earn his own way.

I can well understand how an ex-President would need a staff and clerical assistants if he believes that it is his duty to the people to speak up on all legislation, to oppose everyone with whom he disagrees, and to carry on politics generally. On the other hand, if that ex-President could accept the fact that he is an "ex," that he has had his day, that the world can move on without him just as it did before he was even born, and since the people had had the benefit of his services, in a short while he would not need that staff, and his mail would not be so burdensome that he could not place a 4-cent stamp upon a letter.

The franking privilege to be granted cannot be justified. I cannot conceive of any business that an ex-President might be conducting for the public in an official capacity that would warrant the use of the mails free of cost. So far as I am concerned, I do not expect to give it to him, either.

Soon we will have another living ex-President, President Eisenhower. The President may not be a rich man according to the views of some people, but with the rank and file of the people of this country, he is rich. I do not believe that President Eisenhower is disturbed at all over his ability to earn his own living, pay his own way, and support his family, after he leaves the White House, and of course he will leave the White House because there is a constitutional inhibition against a President holding more than two terms, and it is an inhibition that I heartily believe in.

I am hard put to figure out how this legislation was proposed, and why. I am convinced it is not right, and I hope this House will defeat that legislation. I cannot help but believe that legislation of this kind is embarrassing to every man who has held the office of President of the United States. Instead of increasing the dignity of the living ex-Presidents, I believe it cheapens it. I know, and many others know, that sometimes now our Presidents are chosen not because of outstanding ability, but because of geography. But I am not willing to say that any of our Presidents are incapable of earning their own living.

Mr. REES of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut [Mr. CRETELLA].

Mr. CRETELLA. Mr. Chairman, in the discussion of this bill which was started by our distinguished chairman, the gentleman from Tennessee [Mr. MURRAY], his first and opening statement was:

> This bill should be devoid of political heat or personal feeling.

To that I subscribe, but it would appear to me that political heat has been injected into this bill from its very inception. Statements have been made here as to the chronology of events leading to the presentation of this bill before the committee. The original bill in the House was introduced in February of 1957, and there appeared before the committee in March 1957, within 30 days thereafter, our distinguished majority leader alone testifying for this bill. Thereafter there was nothing further said or done about it until a year later when information

came to me as a member of the committee at 10 o'clock at night from another member of the committee advising me that there was going to be some kind of hearing on this bill. On the following day there appeared before the committee the majority leader, the distinguished Speaker of the House, and the minority leader. Nowhere is there a record of the testimony given to this committee by these gentlemen in March of 1958. There is no Member who can put his finger on it, nor can I as a member of the committee tell you exactly what that record would indicate; but, at any rate, that hearing was held.

Mr. McCORMACK. Here is a copy of the hearings.

Mr. CRETELLA. That is March 1957. The one I am talking about was on date of March 1958. That is the one I am referring to, the time when the Speaker of the House, the distinguished majority leader and the minority leader appeared.

The only witness appearing at the time of the hearings which the gentleman just handed to me, a copy of which I have myself, was the distinguished majority leader himself. The gentleman appeared alone. There was a hearing in March of this year, and there is no record of that hearing at all.

It has been said by the chairman of the subcommittee that this legislation has had a rather hectic career. How right he is. I was on the subcommittee in the 84th Congress. The gentleman from Georgia [Mr. DAVIS], was also a member. I am sure he will agree with what I say, that we were going to get out an adverse report, but at the request of the subcommittee chairman Mr. MORRISON, we refrained from doing that. Then, lo and behold the bill found itself back in the full committee again. The subcommittee was then sidetracked, and then by some form of hocus-pocus it got back before a subcommittee again. That is the history of this particular legislation.

Yet it is said that everybody has had an opportunity to be heard on this bill. Our distinguished chairman declined to yield to me for a question when I asked him to yield while he was standing in the well of this House.

That is the road traveled by this bill since February of 1957, and that is comparable to the treatment received, when the bill was under consideration.

The chairman of the subcommittee to which it was again referred, the gentleman from Louisiana [Mr. MORRISON] has said here that every opportunity possible had been offered to those who wanted to appear at the hearings, and in answer to the direct question which I propounded to him he said: "Yes, a notice appeared in the New York Times." Of all places for a notice to appear for a Congressional committee meeting or subcommittee is a New York newspaper, but not the CONGRESSIONAL RECORD.

At no place at any time was anybody given any opportunity to be heard. If there ever was any legislation that has received the hush-hush treatment and railroadings, this bill is it.

Mr. MORRISON. Mr. Chairman, will the gentleman yield?

Mr. CRETELLA. I yield to the gentleman from Louisiana.

Mr. MORRISON. The gentleman speaks about railroading in the committee. I believe if my memory serves me right the chairman of the committee said that this bill had been before the committee and subcommittee for more than a year and a half. In view of that fact it is impossible for anyone to be correct in stating that the bill was railroaded.

Mr. CRETELLA. The gentleman will agree with me, I am sure, that when we held hearings in the 84th Congress before the subcommittee of which the gentleman from Louisiana was the chairman, that it was agreed that there was going to be an adverse report on the bill, and the gentleman asked that we defer such action. Does the gentleman agree to that?

Mr. MORRISON. No; I do not agree to it, because the gentleman had an opportunity to file minority views the same as the majority had the right to file its report.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. CRETELLA. I yield to the gentleman from Michigan.

Mr. JOHANSEN. I wonder if the gentleman in saying there was clear opportunity to file a minority report is talking about the hearings of the subcommittee in the 84th Congress or about the action of the full committee in the 85th Congress when there was an agreement that we had until Saturday night to file our views, which agreement was not kept?

Mr. CRETELLA. As far as the committee report of the 84th Congress is concerned, out of deference to the chairman no committee report was filed. With reference to the majority and minority reports, it was agreed in committee that the minority would have an opportunity to file a report by midnight together with the majority report. I asked the clerk of our committee: Is it not so that the majority report is already prepared now and all ready to be filed, even before the hearings had been completed? And his answer was in the affirmative.

Mr. JOHANSEN. I want to say to the gentleman he is eminently correct.

Mr. CRETELLA. I thank the gentleman.

Mr. MURRAY. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, there has been a great deal of talk today about lack of opportunity and criticism of the chairman of our committee in his handling of the hearings. The gentleman from Tennessee [Mr. MURRAY] and I started on the Committee on Post Offices some 16 years ago. I sat next to him at that time and will be next to him now if I stay on that committee. I have recently been assigned to the committee—about 3 years ago—and I can say that while I have differed with the gentleman from Tennessee on substantive legislation, I have never criticized him from the standpoint of parliamentary procedure or fairness, and I do not do so now.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Georgia.

Mr. DAVIS of Georgia. Is the gentleman taking anything that I said to mean that?

Mr. HOLIFIELD. No, I am not. I respect the gentleman from Georgia [Mr. DAVIS] very highly. I grant him the right to his convictions on this legislation as I know he grants me the same privilege.

There was some confusion on the parliamentary procedure. The chairman rightly ruled that a motion on the previous question did not leave the committee with opportunity for debate.

Here is the way it happened in the committee: I made a query of the chairman and asked him if he would yield to me to move the previous question. I did not offer the previous question. The chairman said to me, "Would you withhold your motion to permit further debate?" And I agreed to do that.

Then the gentleman from Pennsylvania [Mr. CORBETT] said that if the vote on the previous question was put, he would have to vote against it. I withdrew my motion and propounded a unanimous consent request that the vote on the bill be at 11 o'clock. It was then about 10:25 or 10:30.

The gentleman from New York [Mr. WAINWRIGHT] offered a substitute motion or an amendment to my motion—whichever way you wish to put it—that the vote be taken at 11:20, to which I agreed. This extended the time another 30 minutes. At this point the record shows that the gentleman from Connecticut [Mr. CRETELLA] objected. When the objection to an extension of time occurred and there had been debate for some 30 minutes at that time and no motion offered, then I moved the previous question. Debate was closed and the vote was taken.

Mr. CRETELLA. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Connecticut.

Mr. CRETELLA. The gentleman now says we debated this particular question for about 30 minutes, is that correct?

Mr. HOLIFIELD. The committee took it up at 10:10. I do not have the exact time, but I would say—the staff assures me I am right—that some 20 minutes of discussion had preceded my query as to whether the chairman would yield.

Mr. CRETELLA. On this very important bill debate was limited to not more than an hour. The gentleman will agree to that?

Mr. HOLIFIELD. Yes. I will agree about the hour; that the proposal of the gentleman from New York [Mr. WAINWRIGHT] was that we vote at 11:20. That was at 10:10.

Mr. CRETELLA. This was the only day that we were meeting on this particular legislation; is that right?

Mr. HOLIFIELD. It was for the purpose of reporting out the bill.

Mr. CRETELLA. Is it not true that on the postal-pay bill and other bills before that committee the committee sat for weeks and weeks and weeks before bringing out a final bill, with an opportunity to offer all kinds of amendments possible?

Mr. HOLIFIELD. That is true.

Mr. CRETELLA. Before reporting it to the floor of the House?

Mr. HOLIFIELD. It is true that we voted several bills that morning without taking the time for extended debate.

Mr. Chairman, I would like to address myself to the merits of the legislation.

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

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

Mr. McCORMACK. Might I call to the attention of the committee that on July 7, 1953 this House passed without a rollcall vote a bill giving one-half of the salary as a pension to the Comptroller General, to wit, $8,750 if he became disabled, and if he served for 10 years or more with disability or reached the age of 70, the fully salary, in other words, $17,500? I urged that bill, and I spoke for the bill. But, there is plenty of precedent and here is a bill relating to a former President of the United States.

Mr. HOLIFIELD. I think the gentleman is correct, and I am going to call the attention of the House at this time to this fact. Every Justice of the Supreme Court retires at full salary of $35,000, and he can retire at any time he wants to retire. There are 6 officers at the present time in the 5-star position who have retired and are receiving $20,503.40 a year, which is about $1,711.95 per month. Now, these are generals who have served in our Army in an honorary capacity. They are also assigned quarters in any Federal buildings that they choose, which we provide in this bill. They are allowed an officer's aide, which may be from a captain to a colonel, at anywhere from $7,900 to $13,140. They are allowed a chauffeur and a secretary. These are 5-star generals. There are 3- and 4-star generals, 232 of them, who are eligible for retirement at full pay for the rest of their lives. And, I call attention that neither of these classifications make any contribution to the pension which they draw as we in Congress contribute to our own retirement fund.

Now, what happens to a President of the United States after he has served in that office? He still has the honor and the respect of a great many people in this Nation. I have only had occasion personally to know ex-President Hoover and ex-President Truman. I happen to know former President Hoover much better than former President Truman. I was honored, along with the gentleman from Ohio [Mr. BROWN], by being appointed by the now minority leader, the then Speaker of the House, the gentleman from Massachusetts [Mr. MARTIN], to serve on the second Hoover Commission, and for almost 2 years we spent practically every Saturday, in addition to evenings, working on the second Hoover Commission. So, I had a chance to work at the same table with former President Hoover. I can say this—and I am proud to be able to say it—that I never served with a man who tried to do a job, who put in the hours and the hard work on that commission, that he did. There was no member of that commission that put in the number of hours, including myself, that former President Hoover put in. He was entitled to $50 a day as a member of that commission. The Congressional members, of course, were not entitled to that. But, I doubt very much whether he took 1 penny of that. I think he did the work because he was offering a service to the people of the Nation, and I honor him for it. And, he is not of my political party, as you well know.

So, I say that there are people on the floor of this House who have sincere convictions that this is wrong, like my friend, the gentleman from Iowa [Mr. GROSS], and my friend, the gentleman from Georgia [Mr. DAVIS]. And, I honor their position. But, I am not going to get down on the floor or in the gutter and wallow in partisan politics with those who hate President Truman, with those who hate President Eisenhower, or those who hate President Hoover. This is not a matter of emotion, of personal feeling, of bitterness against an individual. We are talking about the prestige of the greatest office of any republic in the world, the office of the Presidency of the United States. We are not talking about a man. We are talking about the obligations and the respect and the duties that go with that office after the man leaves his office.

I am reliably informed that the mail of former President Truman runs to from 100 to 400 letters a day. He has to either answer those letters or ignore them. I am not making a plea for him in this instance, but this is part of the burden. He receives 300 to 400 invitations a month to speak. This is part of the burden that goes with a man who has occupied the office of President of the United States. Undoubtedly the same is true of former President Hoover. He undoubtedly has the same kind of obligations. When our present President, Mr. Eisenhower, leaves that office, do you think his mail will stop? Do you think the respect and the affection of the people who have twice given him that high office in the Nation will cease? It will not. He will continue to get letters and invitations and have public duties. I do not know what his financial position is. I do not know what Mr. Truman's financial position is. This is not a matter of charity, it is not a matter of need. This is not a matter of asking that a former President of the United States come in and on his knees says, "I need charity." This is something that we, the greatest Republic in the world, can do to show that we have respect for the office of President and that we recognize the duties and the responsibilities that he has to carry on after he leaves that office, whether he be a Republican or a Democrat, whether he be a man whom I respect or you respect or whom I like or you like, or not. That has nothing to do with it. Do we want to put this on the basis of charity and need? Do we want him to come in on his knees?

Some of our former Presidents have been in that position. Their names were mentioned here today—Jefferson, Madison, Monroe, some who had to go into the bankruptcy courts or had to sell their precious possessions. Andrew Jackson had to sell his sword, that he used in the preservation of the Union, and his medals, in the latter days of his life.

I do not know whether any such thing will occur in the future. But I say this, that we are big enough, we are responsible enough in this day when we are furnishing millions and hundreds of millions of dollars to assist the dignity of democracy abroad, to do this. Can we be so mean and so little in our soul that we say that we cannot afford $25,000 a year, out of which income tax has to be paid? Can we afford to deny to a President of the United States assistants to handle his mail, when we give generals who serve only for 20 years a salary of $20,000 a year, a chauffeur, a secretary, and a colonel for his aide, or he may even have 3 colonels, if he wants to, at $13,000 apiece?

I cannot believe that the Members of this House are going to quibble over a few thousand dollars to give to a man who was the successful candidate of either the Republican Party or the Democratic Party for the office of head of this great Republic. Surely we cannot be so small. Surely we can do that which is commensurate with the dignity of this great Nation and of the office, not because of the individual, but because of the office, and because of the responsibilities and the sleepless days and nights that he must have given, regardless who he is, to the welfare and the preservation of this Nation.

Mr. REES of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, our delightful and eloquent friend, the gentleman from California [Mr. HOLIFIELD] certainly has pulled out all the tear-jerking stops. An effort worthy of a more justifiable cause. He has been crying all over the place until the tears are ankle deep, about what might happen to some President who some time in the distant future may end 4 or 8 years of service as President at a salary of around a hundred thousand a year—with fringe benefits far more. Assuming what he has said to be all true, what have you to say about the people in our respective Districts? In California maybe they are all rich or wealthy and not in need of anything that heart may desire but in my District there are men and women who just cannot make both ends meet. They are not selling or buying Cadillacs or Fords or any other car. They do not have a job, and do not have enough bread, meat, and potatoes, to say nothing about butter, to get along. Some cannot pay for repairs on the old homes they have owned for years. Many a child is deprived of things she or he should have. Many an old taxpayer—because of the billions spent abroad and the new deal policies—who has always been proud of

his independence has been forced to swallow his pride and go on relief.

You want to give this pension to ex-Presidents. You are in favor of foreign aid. You shove it onto foreign nations by the billions of dollars—even when some do not ask, and give them facilities we cannot have. Today so far as I can learn, no one is asking for this money, but they must take it whether they need it or not. And you must follow a precedent, and to justify the precedent the majority leader cites the case of the former Comptroller General. Sure, in spite of my objection and under suspension, when the Speaker announced that two-thirds, and so on, had voted for it, with but few present, this House did give the Comptroller General, who had served 10 years, a pension of—what was it, $15,500, or $18,000, whatever the salary was?—$18,500 for life.

Lindsay Warren, then Comptroller General, was a wonderfully fine, helpful, able and eloquent Member of this House, and perhaps most of us would have voted for a gift or reward had he been in need or if he wanted it. But when you established the precedent for the Comptroller General, and one for his assistant at $10,000, after 10 years, that was in my opinion a robbery of the taxpayers. There was no justification about it.

I just cannot understand why it is we continue to add to the burdens of our taxpayers, our workers, and force other nations to accept something they have not asked for, or why when we have honored a man by making him President—with all of the emoluments that go with that high office we should add a pension, an office, a staff, and a trouble-making function.

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

Mr. HOFFMAN. Let me go ahead, please. It is very hard for me to start and it is far more difficult to stop.

What is the purpose of this bill? To grant a pension, that is all. Why is that said? Because if you will read the bill you will observe that not a single duty is imposed upon anyone. It is a gift, nothing else. And to add to the gift, we give the man an office, and we give him assistants. We give him money and facilities and importance so great that he has to hire someone to help him enjoy it. And this at a time when the situation in the country is what it is, a national debt of $276,000,000,000 soon to be increased by $13,000,000,000. When we have, as we have in Michigan as a result of the so-called Democratic policy of taxation and Reuther's wage scale and limited hours of labor, when we have those things in Michigan. Only last week when I happened to be home for a day talking with an executive of the Clark Equipment Co., a big concern which has a plant in the Fourth District at Buchanan, I was advised that they recently built in other States five additional plants; not one in Michigan, oh, no. The Reuthers and Mazeys using the Democratic label, labor in Michigan has driven employers out of the State, so we have an unemployment load that is almost impossible to carry; a load of unemployment payments which we must meet each month. And here you come along with this bill, with not a single thing, let me repeat to you; not a single duty or obligation do we impose upon these former Presidents.

We have a government, and everyone thought it was a fairly good government when it was first conceived, when it was first put on paper, with three departments. Now what do we propose? We establish another agency. We give a President a pension. Undoubtedly, he will be sticking his fine executive nose into the business of the Congress, the courts, and the then existing executive departments. He will be telling us—and I propose to offer an amendment requiring this President who is to be given this salary and this office and these assistants to do something—to tell us what we should do; another agency creating more confusion, spending more money, a new department, Mr. Chairman, which will grow and grow faster than any known weed or agency, with less people on the tax rolls in this country to support it.

We are no longer a free people. The taxes imposed by King George were nothing compared to what is now being done by our Congress. We are carrying out the policies of a Tugwell—we are as the Russians boast—destroying our security by our spending.

Eight years of bitter warfare, with all the poverty, suffering and death that inevitably follows war, gave us a government which our forefathers thought would—and which would have, had we followed it—given us freedom from tyranny. Unfortunately, egotistical individuals with too much leisure time, a comparatively high degree of education, and more money than was good for their own or the country's welfare, have continously sought by shortcuts to reframe our Government.

Even today, there is a bill on which the House will be required to work its will, giving us, in addition to the three separate and independent, though coordinate, branches of our Government, another independent advisory and meddlesome group which will add to the exorbitant cost of our present Government, which already is cumbersome and a load upon the taxpayers' shoulders.

S. 607 will give former Presidents a pension, a clerical force, an office, and the franking privilege. Every Member of the Congress is fully aware of the fact that no Member can be fully cognizant of the powers, duties, and responsibilities which rest upon those who direct governmental activities.

Yet here we go, breeding a new and separate and an independent group which we all know would expand, call for ever-greater appropriations and will inevitably, through meddlesome advice and suggestions, interfere with and act as a curb upon the judicial, the executive, and the legislative branches of our Government.

Just why should a former President, or should we say Presidents, be established as official adviser, or advisers, of the Congress and the executive departments, telling all of us what we should have done, what we should do, and how much better they could run our Government.

The next move may well be to establish an agency or authority with clerical help, ample offices, and adequate appropriations, whose members shall be former Senators and Congressmen, that is, lame-duck Members of the Congress.

This new agency may well be a means of implementing the thinking of Guy Rexford Tugwell, who in 1933 was Assistant Secretary of Agriculture, and in 1934–37 was Under Secretary of that Department.

Rex was supposed to be an intellectual and a liberal and progressive.

Here is what he said:

> Planning will necessarily become a function of this Federal Government; either that or the planning agency will supersede the Government. * * * Business will logically be required to disappear.
>
> This is not an overstatement for the sake of emphasis—it is literally meant.

If an ex-President or ex-Presidents are to enjoy continued officialdom—why should not former members of the Cabinet, of the Senate, of the House, have a like privilege? Is each former President to have a pension, a separate and independent establishment, and, if so, who is to coordinate the views of a Hoover and a Truman?

As it is sometimes said, why not do the job up brown? Why discriminate? Are the suggestions of a former President of greater value than those of a former Senator or Cabinet member?

The country is bankrupt, the limitation on the national public debt is shortly to be again increased. My political opponents have accused me as having too often voted "no." My primary being next Tuesday—if nominated, being up for election next November—why not get in on the bandwagon, get hold of the big bass drum and give her heck?

Grinning backslappers, who promise everything to everyone regardless of the welfare of the taxpayers or of the Nation's security, have in Michigan been winning elections, driving industry from the State, creating unemployment, and opening wide the door to another grievous depression. But, after all, should not the office seeker who desires to be elected go along with whatever may be requested by misled voters or by pressure groups whose members see only the immediate future?

This bill and others to follow will make tax labor slaves of taxpayers.

FREEDOM

But let us forget the financial end. Depressions, no matter how grievous, may have caused a great deal of suffering but seldom did they kill anyone.

This question of freedom, however, is one which we might well consider.

While bankrupting ourselves to aid so-called free peoples, to assist free nations, how about consideration of our own freedom, which, from the beginning of history or, for that matter, from tradition's first days, seems to be the desire of the individual?

Pressure groups throughout the country unceasingly and without end are asking the Congress for substantial benefits for members of their organization, regardless of the effect upon the people as a whole.

Congress has yielded so often and so completely that, as stated, we are now bankrupt. The tax burden upon a comparatively few is destroying, not only the individual's prosperity and efforts to provide for his own old age, but is eating away the foundations from under our national security.

Our aid to other nations has given us a tax burden and debt greater than that imposed, not only upon the people of any other nation or any other nation itself, but upon all other people, all other nations. Let me cite just one example.

In answer to the demand of some people, we have given special consideration to a certain group of farmers. There is no argument to the charge that these special benefits are inevitably followed by controls which tend to destroy freedom of the individual, but that the burden of it is upon the consumer. An editorial from the Sturgis Journal, published at Sturgis, Mich., by Mark P. Haines, wraps it up in a nutshell.

But as long as the people who elect the spenders continue to do so, it is apparent that there will be strong support for the political philosophy of Harry Hopkins, who said that "we shall tax and tax, spend and spend, and elect and elect."

An example of the loss of freedom:

[From the Sturgis (Mich.) Daily Journal of July 26, 1958]

A FARMER FIGHTS WHEAT PENALTIES

Stanley Yankus, Jr., a farmer living on R. F. D. 4, Dowagiac, Mich., is getting national attention because of his resistance to penalties imposed on him for violating commercial wheat quotas established by the United States Department of Agriculture.

The latest incident in this controversy occurred on July 8 when Wendell Miles, United States attorney of Michigan, secured another judgment against Yankus as a penalty for exceeding his wheat quota in 1957.

It is not difficult to become indignant over the plight of this farmer and sympathize with his predicament, but his real quarrel is not with the United States Government and its bureaus, but with his fellow farmers of Michigan who voted overwhelmingly in favor of wheat crop controls. The whole deplorable situation is competently explained in a letter written by Congressman CLARE E. HOFFMAN to Yankus.

"DEAR MR. YANKUS: I have your letter of the 15th which just came in and, if there were anything I could think of which I thought would be helpful, I certainly would do it.

"Wendell Miles, United States attorney, has no choice in the matter.

"The difficulty lies with the law, which, as I told you before, the Democrats put through in 1938 in spite of my opposition and that of many other Republicans.

"The issue of whether it should apply was submitted to the farmers and, at this last election, the farmers in Michigan voted 3,356 in favor of the law and 1,369 against it, a majority of 71 percent.

"Hence, the blame rests, first, upon the farmers and those who asked for it—that is, those who believe to a certain degree in Socialism—then, next, upon the Congress, and finally back to the farmers who were privileged to vote.

"I have never been for this program or for any other Socialistic scheme.

"That is one reason why I have so much personal opposition, why I am regarded as a reactionary—that is, because I oppose the trend toward Socialism which so many think should replace our present constitutional form of government.

"I think the 1942 decision of the Supreme Court which declared the original act constitutional was wrong but there it stands and, until reversed or the law repealed, you are subject to it, as I stated when writing you in 1955."

"Sincerely,

"CLARE E. HOFFMAN."

Mr. REES of Kansas. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, the gentleman from Michigan [Mr. HOFFMAN] has very properly called attention to economic conditions in Michigan and his Congressional District in the light of the further burden that this bill would throw on the taxpayers.

But he does not need to go to his District or mine to find places where money could be spent to satisfy critical human needs rather than upon some ex-President who is living off the fat of the land.

A short time ago stories appeared in the Washington newspapers that there are 1,300 schoolchildren in the District of Columbia who have been unable to attend classes because they did not have shoes.

Tomorrow the House is scheduled to consider a bill providing an increase in social-security benefits. It will provide a 7 percent increase, which will amount to an average, as I understand it, of $3 to $4 a month for the senior citizens, the older people of this country. Yet, here today you would adopt a bill which would provide some former President, and I still do not know who needs it, with a $25,000 a year pension and an expense outlay which can run better than $100,000 a year on top of that. Now I would like to ask either the chairman of the committee or the author of this bill a question or two. When would the services of these employees be terminated? Is there anything in the bill to provide for the termination of their services?

Mr. MURRAY. Mr. Chairman, these employees will serve as long as the ex-president continues to receive the benefits under this act.

Mr. GROSS. Would the gentleman point to the language of the bill and tell me where that is to be found—in what paragraph or in what sentence?

Mr. MURRAY. If the ex-president sees fit to become a recipient of the benefits under this act, he goes on the payroll as an annuitant until he is taken off the payroll of his own free will and request.

Mr. GROSS. That is the gentleman's opinion; is it not, because it is not to be found in this bill. There is no termination for employees in this bill; is that not correct?

Mr. MURRAY. If the gentleman will yield, I would point out to him that he would be just like a regular annuitant who draws the annuity as long as he sees fit to receive it.

Mr. GROSS. Of course, there is no provision in the bill for termination of the services of employees.

Now who pays the salaries of these people? Will the chairman of the committee who now supports this bill tell me who pays the salaries of these employees?

Mr. MURRAY. The gentleman very well knows the answer to that question and I will not answer that—it is too simple.

Mr. GROSS. Tell me in the bill where that provision is to be found. Perhaps, the gentleman from Louisiana, the author of the bill, can tell me who specifically in this bill pays these salaries?

Mr. MORRISON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes; I am glad to yield to the gentleman. I am looking for information.

Mr. MORRISON. I am not the author of the bill as the gentleman thinks. I was merely chairman of the subcommittee that considered the bill. I think, if the gentleman will read the bill, he can answer his own question.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. JOHANSEN. The bill states, and I think the gentleman is entirely in order in raising the questions because the bill is exceedingly vague—the bill states with reference to the office staff that the Administrator of General Services shall, without regard to the civil service and classification law, provide for each former President a staff consisting of administrative assistant, secretarial, and clerical assistants.

Mr. GROSS. It goes no further.

Mr. JOHANSEN. It goes no further. It makes no provision for paying for it. It makes no provision for the termination of it. The gentleman's questions are entirely in order and they stand unanswered.

Mr. GROSS. Let me ask some of the proponents of this bill, and I do not care who answers—let me ask this question. Suppose the President should die and the Vice President should succeed him and the Vice President would be in office for 1 week or 1 month. Would he be entitled as a former President to all the benefits of this pension bill, and for the rest of his life, if he served for 1 week?

Mr. MURRAY. If the Vice President became President, then he would draw the annuity based on $25,000 a year for whatever period he served as President.

Mr. GROSS. Yes; plus a $100,000 a year staff and free mailing privileges. Another question. How did you arrive at 4,000 pieces of mail and what constitutes 4,000 pieces of mail? Would 1 piece be a first class letter, or a mailing in 1 piece of 5, 10, or 15 pounds.

Mr. MURRAY. I will say that the subcommittee reached that determination and amended the bill so as to provide for 4,000 pieces of franked mail per month.

Mr. GROSS. Can the gentleman tell me whether this is official mail or unofficial mail? It is not to be found in the bill.

Mr. MURRAY. Certainly, it is official mail and relates to mail for the official use of the ex-President.

Mr. GROSS. Where in the bill does it provide it shall be official mail?

Mr. CRETELLA. Is there any provision in the bill that provides for the termination of employment of this staff upon the death of the Presidents?

Mr. GROSS. That is a question I have asked 2 or 3 times and it is still unanswered.

Mr. CRETELLA. Is there any provision in the bill that terminates the existence of that office by the President, or shall it continue ad infinitum?

Mr. GROSS. There is nothing in the bill. The gentleman is absolutely correct.

Mr. JOHANSEN. Will the gentleman yield?

Mr. GROSS. I yield.

Mr. JOHANSEN. I am confused as to the answer that the gentleman gave about a Vice President serving for a month or 2 weeks. Did they give a categorical answer to that, as to such a former President? Would he have all of the perquisites contained in this bill?

Mr. GROSS. That is the answer.

Mr. CRETELLA. I wanted to be sure that it stood clearly in the record.

Mr. GROSS. That was the answer.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. CEDERBERG. In the full committee did the gentleman have an opportunity to offer amendments to this bill?

Mr. GROSS. Of course not. Neither the gentleman from Michigan nor the gentleman from Iowa had an opportunity to offer amendments, and the minutes of the committee meeting clearly establish that fact.

Mr. Chairman, I yield back the remainder of my time.

Mr. MURRAY. I have only one other speaker.

The CHAIRMAN. Does the gentleman from Kansas have any further requests for time?

Mr. REES of Kansas. I have no further requests for time, Mr. Chairman.

Mr. MURRAY. Mr. Chairman, I yield the remainder of the time to the gentleman from Louisiana [Mr. MORRISON].

The CHAIRMAN. The gentleman from Louisiana is recognized for 23 minutes.

Mr. MORRISON. Mr. Chairman, the distinguished gentleman from Georgia [Mr. DAVIS], seemed to put a lot of emphasis on the question of when meetings of the subcommittee on S. 607 were called. You heard the various interchange of questions and answers. I think there is one thing on which both of us are in complete agreement. He is completely against this bill and I am completely for it. As far as concerns the facts about committee meetings, here are the dates when the various subcommittees were appointed:

A subcommittee was appointed April 17, 1958, to consider this bill. On June 18, more than 60 days later, the subcommittee scheduled a meeting. During that 60 days not one time did any member of the subcommittee, any member of the committee, any Member of Congress, or any citizen or organization, ask to be heard as a witness before the subcommittee.

Then on June 18, when the distinguished gentleman from Georgia [Mr. DAVIS] sent word to me that he could not be present and asked that I postpone the meeting, I did. I have been a member of other subcommittees which scheduled meetings when I was forced to be absent, but I do not believe I ever made a request to postpone a meeting because I could not be present. Nevertheless, I postponed this meeting in deference to the gentleman and 2 or 3 others.

On June 26, 1958, more than a week later, I scheduled the meeting. The gentleman from Georgia had more than a week—8 days to be exact—to give notice to counsel of the committee or to the chairman of any list of witnesses that he desired to be afforded opportunity to be heard. No list of witnesses was furnished by the gentleman, by any member of the subcommittee, by any member of the full committee, or by any Member of the entire membership of Congress. Nor did any individual ask to testify.

On June 26, We met and the members present agreed on 3 or 4 amendments that we thought were important. We adopted those amendments and reported the bill out of the subcommittee unanimously. That was June 26, 1958.

On July 17, three weeks after the subcommittee reported the bill out, the full committee met. During that intervening time not one witness had asked to testify before the committee, even though the full committee had had two previous hearings. The full committee sat there and listened to argument after argument of the members who were opposed. No amendments were offered, although they had ample opportunity to offer 10 or more amendments had anyone wanted to.

Frankly, I am of the opinion they were just against it and that was it. But when the previous question was moved there were more who voted yea than voted nay. So the previous question was ordered; then, under parliamentary procedure, the vote was taken on the bill with the result that more voted for it than voted against it, so the bill was reported favorably.

I do not believe any similar piece of legislation ever had more extensive consideration than was given this bill. I think there were some members who used delaying tactics in the hope that this bill would never come to the floor of the House because they feared it would pass.

Let me say that whereas often I have differed with the chairman of our committee over legislation, he was as fair to all members in the handling of S. 607 as any chairman under whom I have served in the 16 years I have been a Member of this Congress.

Mr. Chairman, it seems to me that this situation is like one with which I was associated in a lawsuit where we did not have much of a defense or argument on our side. The arguments were all on the other side. I asked my associate what we were going to do. He replied "We have only one defense, and we had better try hard to make it work, and that is confusion."

So we tried our defense of confusion. We did the best we could, but it did not last too long because the judge and the jury got tired of our defense, and when the verdict was rendered we lost.

Mr. CRETELLA. Mr. Chairman, will the gentleman yield?

Mr. MORRISON. I yield.

Mr. CRETELLA. Was that same philosophy applied to the consideration of this legislation in the committee?

Mr. MORRISON. No. But I want to compliment the gentleman from Connecticut who claims he did not have enough time in committee, yet when a unanimous consent request was made that an additional 30 minutes of debate be allowed, he objected to the request.

Mr. CRETELLA. Does the gentleman think that 30 minutes on such an important piece of legislation is ample time?

Mr. MORRISON. If the gentleman wants my honest opinion, which I am glad to give him and which I always try to give, I think the chairman gave more than reasonable consideration to everyone interested in the bill, for or against. Of course, that includes the gentleman.

Mr. CRETELLA. Does the gentleman think 30 minutes is sufficient consideration on legislation that will cost the taxpayers of this country $150,000 a year if there is only 1 living ex-President, but which, should there be 5, would cost $750,000 a year?

Mr. MORRISON. I say the gentleman had more than ample time. The bill had been before the committee for over a year and a half. Many bills of comparable importance have been reported to the floor with far less consideration.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. MORRISON. I yield to the gentleman from Michigan.

Mr. JOHANSEN. I wonder if my good friend from Louisiana, who has spoken so eloquently on confusion, is implying that the gentleman from Michigan has been employing those tactics?

Mr. MORRISON. I am merely going by what the gentleman said. He said a few minutes ago that he was confused.

Mr. JOHANSEN. Is the gentleman from Louisiana implying that the gentleman from Michigan has employed the tactic of confusion in this debate?

Mr. MORRISON. I am going by what the gentleman said. If he is confused, frankly, I, personally, am sorry. I am not confused. I was chairman of the subcommittee and I had more to do with this bill, I guess, than any other member of the committee. I am not confused on it at all.

Mr. JOHANSEN. I congratulate the gentleman on his lack of confusion.

Mr. MORRISON. I thank the gentleman.

Mr. JOHANSEN. I want the record to show that this gentleman from Michigan has not been attempting to meet an honest issue and an honest difference of opinion by stirring up confusion.

Mr. MORRISON. I agree with the gentleman that he did not stir up confusion. He just mentioned the fact that he was confused.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. MORRISON. I yield to the gentleman from New York.

Mr. SANTANGELO. I was a member of the committee which held the hearings and took the testimony in connection with this bill. We had before us a member of the Bureau of the Budget during those hearings and we asked him whether he had any idea as to how much it would cost. He said he did not. I would like to know from the gentleman or from anybody else what this bill will cost the Government and what it will cost the taxpayers. I want to evaluate in coming to my own conclusion—I voted for the rule—as to whether or not we think that the dignity of the position of President of the United States and as former President is worth the money which we may pay. But before we can make that evaluation we must know how much it is going to cost. Can the gentleman give us an enlightened statement as to how much this bill is going to cost?

Mr. MORRISON. An amendment will be offered by the chairman of the committee, and if that prevails—and I trust it will—there will be a maximum of $60,000 provided for staff assistance. Office furnishings would amount to approximately $600 a month. Then the amount of the annuity that he gets would be $25,000 a year. Added to that would be the cost of 4,000 pieces of mail per month.

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

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

Mr. GROSS. Who is going to take this pension and have this staff that we are about to propose here?

Mr. MORRISON. If this bill passes, President Truman will be entitled to it and President Hoover will be entitled to it. I have not asked either one whether or not he will take it. I do not know. If the gentleman wants to know, he may ask either one of them.

Mr. GROSS. I thought perhaps the gentleman, being one of the chief sponsors of the bill, could tell me who wants it. I have not found that out yet.

Mr. MORRISON. President Truman has not told me he wants it. Neither has President Hoover.

Mr. GROSS. Does the gentleman think either one of them will take it?

Mr. MORRISON. I am not going to get into an argument with the gentleman. Those two men have the decision to make as to whether they want to take it or not.

Mr. CRETELLA. Mr. Chairman, will the gentleman yield?

Mr. MORRISON. I yield to the gentleman from Connecticut.

Mr. CRETELLA. The gentleman has said he has worked hard and diligently on this bill, and I agree with that statement.

Mr. MORRISON. I try to do that on all legislation.

Mr. CRETELLA. On this particular legislation, and I pay tribute to the gentleman for his very diligent application to this particular bill.

Mr. MORRISON. I thank the gentleman.

Mr. CRETELLA. Here is subdivision (c):

> The Administrator of General Services shall furnish for each former President suitable office space appropriately furnished and equipped, as determined by the Administrator, located in a Federal building at such place within the United States as the former President shall specify.

Is there any provision or prohibition in that particular clause that I have just read to prevent the President from wanting a place suitable for himself in his particular locality, then wanting some place as a summer White House, if you will? There is no prohibition in this bill as to the number of places he may request and demand, is there? That is one of the things that the committee never had an opportunity to discuss.

Mr. MORRISON. I know that the gentleman is a reasonable man and, as in the case of all Members, he is given certain prerogatives in connection with the expenses of his Congressional office. He can spend that money in any way he determines will be most effective. I think both former Presidents—or any former President—should have that right, and that regardless whether they are Republicans or Democrats they will use the same discretion the gentleman uses as a Member of Congress in handling the expenses necessary to properly administer the affairs of his offices.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. MORRISON. I yield to the gentleman from Kansas.

Mr. REES of Kansas. The gentleman has explained about the diligence he has applied with respect to this legislation and about the subcommittee hearings, which has been talked about a great deal. How many witnesses did the gentleman have before his subcommittee?

Mr. MORRISON. I explained that no one asked to appear and no one did appear. I did not claim that I was the one that was so diligent. I merely accepted the commendation from my distinguished colleague from Connecticut, which I deeply appreciate.

Mr. REES of Kansas. I am asking the gentleman how many witnesses appeared before his subcommittee.

Mr. MORRISON. I have already stated that no one asked to appear and no one did appear. I did note that at one meeting three witnesses appeared before the full committee. They were the Speaker, the majority leader, and the minority leader.

Mr. REES of Kansas. So the subcommitte did not have any witnesses at all.

Mr. MORRISON. Correct.

Mr. REES of Kansas. And that is the testimony we are using today.

Mr. MORRISON. No one else asked to appear. I know of no committee that goes out and tries to influence witnesses to appear before the committee when they do not ask to appear.

Mr. O'HARA of Illinois. Mr. Chairman, will the gentleman yield?

Mr. MORRISON. I yield to the gentleman from Illinois.

Mr. O'HARA of Illinois. I have been listening all afternoon to an extended debate that seems to center on the gentleman from Louisiana, JIMMY MORRISON. I never had the great pleasure of serving on committee work with the gentleman from Louisiana, but I want JIMMY MORRISON to know that there are a lot of us on this side that think JIMMY MORRISON is one of the fairest and finest guys that was ever elected to the Congress.

Mr. MORRISON. The gentleman is most kind, and I am deeply appreciative of his remarks. I have just a few more minutes, so I do not feel that I can yield further. I would like to get to the merits of the bill.

I believe that every fairminded Member of this House will agree with me as to the merits of this legislation. It should be noted that had Mr. Truman remained in the Senate, he would have been entitled to an annuity. Had President Eisenhower stayed in the service, he would have had an annuity.

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. MORRISON. I yield to the gentleman from Illinois.

Mr. PRICE. I would like to call the gentleman's attention to the fact that the present incumbent of the White House, upon his retirement, can do this: All he needs to do is to notify the Secretary of the Army of his return to active service, and he promptly comes under the legislation providing for the full salary and full staff of a five-star general.

Mr. MORRISON. I thank the gentleman for his contribution.

As has been said, Federal judges receive their full salaries for life when they retire. A retired Supreme Court Judge receives $10,000 more per year for life than a former President of the United States would receive when he retires under this bill. I do not believe that you can say, as far as this bill is concerned, that $25,000 a year, which is subject to Federal income taxes, is in any way excessive or out of line. I think it is a fair bill and a reasonable bill.

I am sure, also, that any Member of the House who knows the distinguished chairman of our committee, knows down deep in his or her heart that the chairman of the Committee on Post Office and Civil Service is not going to deny anyone who asks to be heard or take advantage of parliamentary procedure to cut off reasonable discussion of legislation. He and I have differed strongly on certain legislation, but he has recognized me, he has given me ample opportunity on all occasions to be heard, and on all occasions has allowed me to propose as many amendments as I wished. He followed this same policy with respect to S. 607.

Mr. Chairman, this bill is meritorious. It has been before the committee a long enough time—much longer than many other bills of similar importance. The bill has been considered by the full committee three times, over a period of more than a year. There have been subcom-

mittee meetings on it twice. I urge favorable action on this bill.

Mr. MURRAY. Mr. Chairman, I ask unanimous consent that all Members who desire to do so may extend their remarks at this point in the RECORD.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mrs. GRANAHAN. Mr. Chairman, I have found much of this debate terribly disturbing and depressing. We are not voting on a bill to give public assistance to Herbert Hoover or Harry Truman. Our committee attempted to consider this matter objectively not so much in terms of the needs of any single individual but of the dignity of the office of President of the United States.

Was it not Ulysses S. Grant who faced destitution after becoming an ex-President? Have not other ex-Presidents experienced want? Have not we, as a Nation and as a people, been shamed by our failure to make adequate provision for the retirement of former Presidents?

Congress has a pension system, and a very generous one. So do all Federal employees. So do all Federal judges—particularly judges, who collect their full pay for the rest of their lives after they retire.

But that is not the point. The point is that when we place a man in the Presidency, we want him to devote his whole time and attention and effort and energy to the job of being President, not of also figuring how he is going to make ends meet when his 4 or 8 years as President have ended.

Furthermore, if we want to call upon our ex-Presidents for counsel and advice in their roles as elder statesmen, we owe it to ourselves—not just to them but to ourselves—to provide necessary office, stationery and clerical expenses. Is a retired five-star general more valuable as an adviser than a former President?

Mr. DAWSON of Utah. Mr. Chairman, for all the esteem and respect which I hold for the office of the President of the United States and for the men who fill and have filled the highest of positions, I must ask my colleagues to consider carefully what they are here being asked to approve.

This bill proposes far more than the assurance that a former President will be able to live out his declining years free from worry and want. It establishes a new, if unnamed, office in our Federal Government, and an office which certainly was never contemplated by this Nation's Foundling Fathers.

This office would have no official duties and no restrictions but it would—or could—have a $100,000-a-year staff, a franking privilege for 48,000 pieces of mail a year and unlimited office space fully equipped and furnished. Moreover, there could be several of these offices functioning at the same time.

My concern is not what these offices probably would be used for, but what they possibly could be used for. We are here being asked to subsidize with tax dollars a potentially powerful propaganda machine which is not a part of, nor responsible to, the legislative, executive, nor judicial branches of our Government. It has no place in our form of government, and I do not think we want to create a place for it now.

Mr. RAY. Mr. Chairman, I rise opposed to S. 607, a bill designed primarily to provide pensions, staff assistance, and office space for former Presidents. If we were not in the financial situation in which the country finds itself, it would be well to have legislation on this subject. Under present circumstances, however, and there not being any ex-President in need of such assistance, it would be, in my judgment, a mistake to saddle the Treasury with possible expenses of more than $100,000 a year.

Mr. MACK of Washington. Mr. Chairman, the legislation now under discussion proposes to give to each former President of the United States a pension of $25,000, free postage on 4,000 letters a month, and also a large staff of employees to be paid out of the Federal Treasury. The cost will be about $100,000 a year for each President throughout his lifetime.

There is no indication that either of our two living past Presidents, Mr. Hoover and Mr. Truman, are in any great financial need.

I intend to vote against devoting time to consider this bill and if time for debate of the bill is granted I will vote against this legislation when it comes up for final passage.

We are told that Congress is now in its closing days. Many important emergency bills are pending and awaiting consideration. This bill, to grant pensions and office help to former Presidents, very properly should be laid aside in order to give the right-of-way in these closing days of this session of Congress to more urgently pressing matters.

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

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

There was no objection.

Mr. WOLVERTON. Mr. Chairman, unfortunately the subject matter of the bill now under consideration lends itself very readily to arguments based on personalities and partisan politics. This was made plain by some of the remarks made during the debate on the rule to make this bill in order. Some of these it might have been better to have left unsaid. The bill does have sufficient merit to entitle it to serious consideration.

The granting of retirement benefits to public officials has become an established policy of our Government. In fact, I do not know of any exception other than the office of President. This, in my opinion, should not be. The office of President is not only the highest honor that can come to a citizen of this country in public service, but it also carries with it a greater responsibility than that of any other position of a public character. The allowance of retirement benefits in no instance fixes the right to receive the same, or the amount to be received, on a basis of need. Nor would such a condition be justified. Therefore, it seems to me that all the arguments that have been made based upon whether either or any former President now living is in need of any financial benefits is beyond the real point at issue. However, it is not inappropriate for us to bear in mind the numerous illustrations taken from our past history, mentioned by the majority leader, the distinguished gentleman from Massachusetts [Mr. MCCORMACK], that showed the distressing financial conditions that were faced by some of our previous Presidents and their widows. This legislation is for the future as well as for the present. No one here today can say that there might not be a real need at some time in the future as in the past.

Furthermore, if retirement benefits are considered appropriate for Supreme Court Justices and other Federal judges together with military personnel and civilian employees of our Government, why should we stop at the office of President? It is my opinion that there is no justifiable reason that should preclude us from adopting this bill to provide benefits to make certain that former Presidents and their widows be enabled to live during their lifetime in a manner commensurate with the high office that has been held by a President of this, the greatest nation in the world.

Mr. REES of Kansas. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Chairman, the right thing to do, in my opinion, is to send this bill back to the committee for further study and consideration. This is evident from statements made by proponents of the bill on the floor this afternoon.

The bill was approved by the other body in February 1957. Brief hearings were held when the author of the bill and two assistants of the Bureau of the Budget testified before the committee. That was in March 1957—almost a year and a half ago. As I recall, a subcommittee was appointed but did not report on the bill. Then a few weeks ago the measure was revived after the leadership of the House testified in support of general legislation to provide retirement benefits for former Presidents. I remind you this bill does not simply provide retirement payments for former Presidents and widows of former Presidents. It provides expenditures of thousands of dollars for expenses in addition thereto. The expense account is estimated at $95,000 to $100,000.

Certainly this bill cannot be classed as emergency legislation in any sense of the word. The proponents of the measure say it is not imminent. But, here you are today, during the last days of the session, insisting that the bill be crowded through the House before the adjournment of the Congress. You waited almost a year and a half before bringing this bill to the House. Why not send it back to the committee. Then give the matter consideration when Congress meets only a few months from now.

This is a poor time for this House to be considering this kind of legislation.

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That each former President of the United States shall be entitled, as long as he shall live, to receive a monetary allowance at the rate of $25,000 per annum, payable monthly by the Secretary of the Treasury.

(b) The Administrator of General Services shall, without regard to the civil-service and classification laws, provide for each former President a staff consisting of an administrative assistant, a secretary, and other secretarial and clerical assistants. Persons employed under this subsection shall be selected by the former President and shall be responsible only to him for the performance of their duties. Each former President shall fix basic rates of compensation for persons employed for him under this paragraph which in the aggregate shall not exceed the aggregate amount provided by law for the basic compensation of the administrative assistant, secretary, and other secretarial and clerical assistants authorized for a Senator from the least populous State of the Union; and the persons so employed shall also receive additional compensation at the rates provided by law for employees in the offices of Senators.

Mr. MURRAY. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and open for amendment at any point.

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

Mr. GROSS. Mr. Chairman, I object.

The Clerk read as follows:

(c) The Administrator of General Services shall furnish for each former President suitable office space appropriately furnished and equipped, as determined by the Administrator, located in a Federal building at such place within the United States as the former President shall specify.

(d) Each former President shall be entitled to conveyance within the United States and its Territories and possessions free of postage of all mail matter sent by him under his written autograph signature. The postal revenues shall be reimbursed each fiscal year out of the general funds of the Treasury in an amount equivalent to the postage which would otherwise be payable on such mail matter.

(e) The widow of any former President of the United States shall be entitled to receive a pension at the rate of $10,000 per annum, payable monthly by the Secretary of the Treasury, if such widow shall waive the right to any annuity or pension under any other act of Congress.

(f) As used in this section, the term "former President" means an individual who shall have held the office of President of the United States, and whose service in such office shall have been terminated other than by removal pursuant to section 4, article II, of the Constitution.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 1, line 3, after "That" insert "(a)."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, line 12, after the period insert: "The aggregate rate of compensation payable to any such person shall not exceed the maximum aggregate rate of compensation payable to any individual employed in the office of a Senator."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, line 23, after the comma insert: "not in excess of four thousand individual pieces a month."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 3, line 7, strike out all after the comma down to and including all of line 8, page 3.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment, page 3, line 14, insert:

"(g) The act of February 28, 1929 (45 Stat. 2338), is hereby repealed."

The committee amendment was agreed to.

Mr. MURRAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MURRAY: Page 2, line 6, strike out all matter after the word "exceed" down to, but not including, the period in line 12 and insert in lieu thereof "$60,000 per annum."

Mr. MURRAY. Mr. Chairman, paragraph (b) on page 1 of the bill reads as follows:

(b) The Administrator of General Services shall, without regard to the civil-service and classification laws, provide for each former President a staff consisting of an administrative assistant, a secretary, and other secretarial and clerical assistants. Persons employed under this subsection shall be selected by the former President and shall be responsible only to him for the performance of their duties. Each former President shall fix basic rates of compensation for persons employed for him under this paragraph which in the aggregate shall not exceed the aggregate amount provided by law for the basic compensation of the administrative assistant, secretary, and other secretarial and clerical assistants authorized for a Senator from the least populous State of the Union; and the persons so employed shall also receive additional compensation at the rates provided by law for employees in the offices of Senators.

This amendment would limit the maximum aggregate compensation for employees of an ex-President so that the total under this bill would not be over $60,000. Some of the members of the Committee on Post Office and Civil Service who oppose this bill have said, "Under this section an ex-President might appoint 15 or 20 employees, and the whole cost could run from $104,000 to $135,000." The purpose of this amendment is to fix the maximum cost for all clerical assistance at $60,000. That is the maximum.

Mr. Chairman, I ask the adoption of the amendment.

Mr. JOHANSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JOHANSEN. Mr. Chairman, at what point would it be possible to offer an amendment either to the committee amendment to the bill or as an amendment directly to the bill deleting all portions of the provisions except the pension provision?

The CHAIRMAN. This bill is just one section. It would be in order to offer an amendment at any time.

Mr. JOHANSEN. Mr. Chairman, I send an amendment to the desk.

The CHAIRMAN. There is now an amendment pending.

Mr. GROSS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as I understand it, a Member of the Senate from the least populated State has a base of almost $50,000 a year for clerical hire with a top of $16,300 that can be paid to any one person. Under the base of nearly $50,000, and depending upon the number of employees, a Senator from the least populated State might spend up to $107,000 a year on an office force. Now you want to limit this to a total of $60,000, as I understand it. On what basis do you make this arbitrary cut, may I ask the chairman of the committee?

Mr. MURRAY. Because some of you Members object to the cost of this bill, we are going half way and trying to satisfy you about the cost of it.

Mr. GROSS. What formula did you use? Is it just an arbitrary cut? Did you just pick $60,000 out of the air as a good round figure to deal with?

Mr. MURRAY. No; I figured that $60,000 should be the aggregate, maximum amount, for all employees, and therefore offered the amendment.

Mr. GROSS. Does the gentleman think a former President is going to have enough employees with $60,000 a year? Does not the gentleman think he is going to shortchange him? Does the gentleman think it is in keeping with the dignity of the office, when the former President had a great many more employees when he was in the White House? Let us get this thing back in proper perspective. You are not dealing fairly with the dignity of the office when you cut this to $60,000. Let us get back into the clouds again.

Mr. Chairman, I am opposed to the amendment.

Mr. JOHANSEN. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Tennessee.

The Clerk read as follows:

Amendment offered by Mr. JOHANSEN, to the amendment offered by Mr. MURRAY: Page 1, strike out lines 7 to 10, inclusive, and all that follows down to line 3 on page 3.

Page 3, line 4, strike out "(e)" and insert "(b)."

Page 3, line 9, strike out "(f)" and insert "(c)."

Page 3, line 14, strike out "(g)" and insert "(d)."

Mr. JOHANSEN. Mr. Chairman, the effect of this amendment to the amendment offered by the distinguished chairman is very simple and may be very briefly stated. It strikes out all of the provisions of this bill except the $25,000 a year pension for former Presidents and the $10,000 a year provision for the widows of former Presidents.

I will be very frank to say to my colleagues that it would be my preference that we could have an amendment which would limit this provision to the present former Presidents and the present widows in order that we might by proper legislative process set up a retirement program for future former Presidents consonant with the retirement policies we have now for the members of the legislative branch and the other members of the executive branch. But the purpose of this amendment is to go to the heart of the most objectionable feature of this very loosely drawn and ill-defined bill. The purpose is to eliminate the subsidization of an office staff and franking privileges and office space—the subsidization of a nonexistent office. There would be no attempt or pretense made under this amendment that we would somehow continue what was referred to as "whatever is left of the Presidency". It would be an affirmation of the principle that when the power is turned off, the power is turned off. I certainly strongly urge the adoption of this amendment in lieu of the open end, loosely drawn and ill-defined bill which covers all of these other purposes.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. JOHANSEN. I yield.

Mr. ARENDS. If I understand the gentleman correctly, if the gentleman's amendment is adopted, it will provide $25,000 for any retired President and $10,000 for his widow—period; is that right?

Mr. JOHANSEN. That is correct.

Mr. MURRAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am sure that if the amendment offered by the gentleman from Michigan were adopted, he would not then vote for the bill. This amendment would strike out the provision for staff assistance for ex-Presidents. It would strike out this section:

> The Administrator of General Services shall furnish for each former President suitable office space appropriately furnished and equipped, as determined by the Administrator, located in a Federal building at such place within the United States as the former President shall specify.

In other words, it would strike out that entire language providing for the supplying of staff assistance, quarters, and equipment. Also, it would strike out the provision of subsection (d) which gives the ex-President the franking privilege for mail not in excess of 4,000 individual pieces a month. Every ex-President has voluminous correspondence. He has an enormous amount of mail. He certainly should be entitled to the franking privilege of 4,000 pieces of mail a month.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. MURRAY. I yield.

Mr. MILLER of California. We have good precedent for providing this clerical assistance to ex-Presidents. Five-star admirals and five-star generals get aides and clerical assistance and a certain limited staff that are assigned to them during the period of their lifetime.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. MURRAY. I yield.

Mr. JOHANSEN. Apropos that point, I would like to say to the gentleman from California that it may be a precedent, but it is not necessarily a good one. The gentleman realizes certainly that there is a profound difference between a military officer who is not expected to and would not engage in political activity, and a former President of the United States.

Mr. MILLER of California. I like the gentleman's remarks about a five-star general not engaging in political activity—it stands on its own.

Mr. MURRAY. Mr. Chairman, I appeal to the Members to vote down this amendment offered by the gentleman from Michigan.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I just wish to say to the gentleman from California [Mr. MILLER] who again raised the issue of military officers versus former Presidents that a military man knows when he becomes an officer in the Army that a pension is provided for him upon retirement. But no present ex-President has any right to expect a pension or any of the other benefits in this bill because they knew very well when they ran for the office of President that no pension awaited them.

Mr. DAVIS of Georgia. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this amendment will not hurt this bill. It will improve it. The gentleman from Tennessee has objected to it on the ground, as he says, that the former President needs an office and that he needs clerical help and he needs postage and so forth.

I call attention to this, that the Truman Library in Missouri is now costing the taxpayers approximately $149,000 per year. When this bill was before the Rules Committee, my recollection is that the gentleman from Missouri [Mr. BOLLING] during the discussion said that former President Truman now has an office in the Truman Library in the State of Missouri. We pay for operating and administrative expenses, $74,000 per year; for housekeeping, heating, and so forth, $75,000 per year. So that is a total of $149,000. Certainly if you are talking about former President Truman, that will provide him with an adequate office. Certainly there are people employed there who could perform any duties that he would want performed.

Mr. MURRAY. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield.

Mr. MURRAY. Is it not true that the Truman Library is a Federal building now?

Mr. DAVIS of Georgia. It is true that he now has an office in it, according to the gentleman from Missouri [Mr. BOLLING].

Mr. MURRAY. But it is a Federal building.

Mr. DAVIS of Georgia. It is true that we pay $149,000, according to the staff who got this information for me. I say if he has an office there now he can continue to use the office, and certainly at an expense of $149,000 a year he can have plenty of clerks and stenographers to do any work required.

Mr. MURRAY. If the gentleman will yield further, it is my understanding that President Truman, through solicitation of various friends throughout the United States, raised the money for this library, and then gave it to the Federal Government. If former President Truman wants to maintain his office there, he can do so under this bill.

Mr. DAVIS of Georgia. That is irrelevant to what I am saying. I am saying this amendment will improve this bill. I am saying that with the taxpayers already paying $149,000 for operating expenses there, he can have an office there as he uses it now, and he can use some of the help that is there.

Mr. MURRAY. If this amendment is approved will you then support the bill?

Mr. DAVIS of Georgia. I probably would. I would not say definitely that I would, but I probably would.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield.

Mr. GUBSER. I have no idea of what the possible vote on this bill will be, but judging from the vote on the rule, a definite possibility exists that it could be defeated. I know at least one vote, and possibly many, many more which would be in favor of this legislation if it provided only a pension for former Presidents of the United States, and did not provide office help and office quarters, and so forth. Speaking as one person, I would vote in favor of the bill if this amendment were carried, but I must, out of principle, oppose it if the amendment is not agreed to.

Mr. DAVIS of Georgia. This amendment will improve the bill, and I hope it is adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. JOHANSEN] to the amendment offered by the gentleman from Tennessee [Mr. MURRAY].

The question was taken; and on a division (demanded by Mr. JOHANSEN) there were—ayes 127, noes 76.

So the amendment to the amendment was agreed to.

So the amendment was agreed to.

The CHAIRMAN. The question recurs on the amendment offered by the gentlemen from Tennessee, as amended.

The amendment as amended was agreed to.

Mr. CHELF. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and my colleagues, I appear before you today in the interest of this legislation which seeks to create the right of honorable retirement for a job well done for all former Presidents of the United States. In the future, under this legislation, there will always be the possibility of one or more ex-Presidents who may elect to receive retirement no matter what his political beliefs may be. As a former Commander in Chief of our Army, Navy and Air Force, our former Presidents will be available and accessible in the event

their experience and abilities are needed or required in any emergency.

Mr. Chairman, if there ever was a time during the history of our Nation that the combined talents, know-how, experience, and training of our two living former Presidents are needed to help us solve the many complex problems with which we are presently confronted—this is that time. Let us make no mistake about it or lull ourselves to sleep over the international situation because, quite frankly, our relationship, at the present time, with the various countries of the world is most precarious.

At this time our country is particularly blessed in having two splendid gentlemen who have served as Presidents of the United States of America. One of these distinguished gentlemen is a Republican, a conservative, and truly an elder statesman; while the other outstanding gentleman is a Democrat, inclined to be liberal, and is a real American.

The Honorable Herbert Hoover has had long and varied experience as a public servant. In addition to his having served as the President of the United States, he has served in various capacities throughout the years, both prior to his term as President and since that time as chairman of various boards and commissions which have added luster to his good name. You will recall that during World War I, President Wilson designated Mr. Hoover to distribute adequately, efficiently, and humanely, food, clothing, medical supplies, and other aid to stricken peoples, scarred and marked by the ravages of war.

Mr. Hoover recently served as active Chairman of the Commission on Organization of the Executive Branch of the Government, and, as usual, made a most valuable contribution to his country.

The Honorable Harry S Truman served as United States Senator from the great State of Missouri for approximately 10 years. He gained national stature and prominence by serving as chairman of the Truman investigating committee. In 1944, he was nominated and elected by the people of this country to serve as Vice President under President Roosevelt. He had hardly settled down into his office as Vice President when, without warning, Mr. Truman found himself being sworn in as President of the United States.

Whether we agree with Mr. Truman's politics, his policies, his methods, or his achievements, there is one thing that I feel that all of us will be bound to admit, he served our Nation courageously and honorably and at the most crucial time in our history. He has never been and is not now a demagog, as one member of my delegation has stated. He lays it on the line—"face up." I admire him for it. While Mr. Truman was President I believe that I voted to override his veto on 5 out of 8 occasions but we always remained good friends—with the utmost respect for each other.

In my opinion, no man ever was confronted with the decisions that he had to make as Commander in Chief of approximately 12 million men to conclude successfully World War II and to help lead our country, and the world, for that matter, which was tottering on the brink of destruction back to a sound, sane postwar status.

My colleagues, it was President Harry S Truman who had to make the decision as to whether or not the atom bomb would be dropped on Hiroshima and on Nagasaki. I know and you know that this good man had to take decisions of such magnitude to the Lord in prayer. Frankly, I do not think that any person could make such a momentous decision without calling on Almighty God for help and guidance.

Mr. Chairman, I feel very deeply about this particular situation. In my heart, I know full well that there are tens of thousands of our young men who are living in happiness today due to the decision made by President Truman to drop these bombs, each then carrying death and destruction equivalent to 50,000 tons of TNT. Today I am reliably informed that an A-bomb or H-bomb is far more deadly and devastating—many times over.

It took real courage to issue that order that acted as a certain death warrant to thousands of civilians. Nevertheless, we were at war, a horrible bloody war, and it was either the Japanese or our soldiers who had to die. Had not Mr. Truman made the decision at the time, place, and manner in which he did, World War II would have surely continued longer and the million casualties in blood and the billions in gold and treasure that we lost might conceivably have been doubled.

The opposition that I have encountered to this legislation is, unfortunately, due to prejudice against one or the other of the two former Presidents. Such an attitude is strictly unfair because you and I know that we cannot legislate by prejudice.

Any man who has served his country in as many capacities as these two distinguished men, and, in addition, has served as President of the United States, is certainly entitled to the same retirement benefits as any other civil servant or a Member of Congress if they are in need of same. Upon request, their advice, counsel, views, and ideas on domestic and foreign policies could be made readily available to all of us on Capitol Hill. Actually, I think that they, as former Presidents, ought to be made "guest Members" of the House and Senate, without a vote. Such action on our part would give our past Presidents an honorable, working, active, useful retirement.

I do not know of anything that could be either more cruel, shortsighted, or tragic than to place our former Presidents on an inactive status and then to gently but firmly relegate them and their talents into oblivion.

At the present time, our former Presidents are somewhat reluctant to visit Washington, or to speak out on matters of foreign and domestic interest. I am sure that they would be happy to say what was on their minds and in their hearts—if only asked.

As a guest Member in the House and Senate, the country would have the full benefit of their services, and their vast experience without any embarrassment to themselves. If we allow this chance to tap this storehouse of knowledge and experience to go "over the hill," shame on us for we will have truly missed the gangplank and, with it, the boat. I think it would be a healthy thing for the country to have at least 1 or 2 persons who upon invitation could sound off on an issue without having to worry about his reelection or any voter repercussions. Truly, it would be refreshing and beneficial to have these elder statesmen sitting amongst us. It would be America at her best and in her finest tradition.

On April 25, 1955, the Louisville Courier-Journal printed an editorial entitled "A Forum Is Needed, Not Just a Pension." I quote:

> But they (Truman and Hoover) would hold positions of recognized distinction. * * * Freed of all thought of elective harassment, and representing the people at large, they could at their best provide the country with a continuous wealth of experienced statesmanship. It is an asset that should not go begging.

There is a great deal more that I could say with respect to the qualifications of these outstanding Americans and why they ought to be permitted to sit along beside us with floor privileges—but since I realize I am speaking to men who understand and appreciate the accomplishments of our former Presidents it would, therefore, waste your valuable time to go into further detail. We ought to give our former Presidents an honorable, active, useful retirement. At least they should have with their retirement, a staff, and the privileges of the frank.

In conclusion please let me say that I am reliably informed that Mr. Truman is forced to spend several thousand dollars a year, practically his entire yearly income, on stamps, stationery, and secretarial help in order to answer the vast daily mail that he receives from the American public. This is a public service and he ought to have the privilege of the frank. It is as necessary and proper for him to have it, as it is for a Member of Congress. We are all serving the people and attending to the people's business.

Former Presidents Hoover and Truman will continue to have luster and prestige long after their accusers and detractors shall have passed on into oblivion.

I urge you to pass this legislation.

Mr. HOFFMAN. Mr. Chairman, I have three amendments at the desk. Instead of asking for a vote of them I ask that they be printed at this point in the RECORD, together with my remarks. I assume the RECORD would show that they were rejected.

The CHAIRMAN. The gentleman withdraws the amendments.

(The amendment referred to follows:)

Amendments offered by Mr. HOFFMAN: Page 1, line 3, after the word "President" insert "and each former Vice President" and the same language after the word "President" wherever the word occurs in the bill.

Page 2, line 15, after the period, insert a new paragraph:

"C–1. Each former President who accepts such monetary allowance shall, on the convening of each Congress and every third month thereafter while Congress is in ses-

sion, submit to the Congress a message and his opinion on the state of the Union and its then financial condition; his opinion on the advisability of future specific legislation; and send up specific bills to promote the general welfare of the people and the security of the Republic."

Page 2, line 19, after the word "the" insert "continental."

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WALTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (S. 607) to provide retirement, clerical assistants, and free mailing privileges to former Presidents of the United States, and for other purposes, pursuant to House Resolution 649, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

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

The SPEAKER. The question is on the passage of the bill.

Mr. GROSS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. GROSS. Unalterably opposed to the bill.

The SPEAKER. The gentleman reasonably qualifies.

The Clerk will report the motion.

The Clerk read as follows:

Mr. GROSS moves to recommit the bill S. 607 to the House Post Office and Civil Service Committee.

Mr. MURRAY. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

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

The yeas and nays were refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. JOHANSEN) there were—ayes 165, noes 45.

Mr. JOHANSEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and forty-five Members are present, a quorum.

So the bill was passed.

A motion to reconsider was laid on the table.

Mr. MURRAY. Mr. Speaker, I ask unanimous consent that the House insist on its amendments to the bill (S. 607) to provide retirement, clerical assistants, and free mailing privileges to former Presidents of the United States, and for other purposes, request a conference with the Senate, and that the Speaker appoint conferees.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. MURRAY]? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. MURRAY, MORRISON, and REES of Kansas.

Without objection, the title of the bill S. 607 will be amended to read as follows: "An act to provide retirement benefits to former Presidents of the United States and their widows."

There was no objection.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1959

Mr. RABAUT submitted a conference report and statement on the bill (H. R. 12948) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3778) entitled "An act to amend the Interstate Commerce Act, as amended, so as to strengthen and improve the national transportation system, and for other purposes."

The message also 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. 11574) entitled "An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to Senate amendments Nos. 17, 20, and 58.

The message also announced that the Senate recedes from Senate amendment No. 1 to the above-entitled bill.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 3051) entitled "An act to amend the act terminating Federal supervision over the Klamath Indian Tribe by providing in the alternative for private or Federal acquisition of the part of the tribal forest that must be sold, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. NEUBERGER, Mr. ANDERSON, Mr. CHURCH, Mr. WATKINS, and Mr. GOLDWATER to be the conferees on the part of the Senate.

COMMITTEE ON RULES

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports.

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

There was no objection.

SHIPPING ACT, 1916

Mr. BONNER. Mr. Speaker, I call up the bill (H. R. 12751) to amend the Shipping Act, 1916, and I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 14 of the Shipping Act, 1916, is amended by inserting at the end thereof the following: "*Provided*, That nothing in this section or elsewhere in this act, shall be construed or applied to forbid or make unlawful any dual rate contract arrangement in use by the members of a conference on the effective date of this amendment, which conference is organized under an agreement approved under section 15 of this act by the regulatory body administering this act, unless and until such regulatory body disapproves, cancels, or modifies such arrangement in accordance with the standards set forth in section 15 of this act. The term 'dual rate contract arrangement' as used herein means a practice whereby a conference establishes tariffs of rates at two levels the lower of which will be charged to merchants who agree to ship their cargoes on vessels of members of the conference only and the higher of which shall be charged to merchants who do not so agree."

SEC. 2. This act shall be effective immediately upon enactment and shall cease to be effective on and after June 30, 1960.

Mr. BONNER. Mr. Speaker, this bill is purely temporary emergency legislation to maintain the status quo in a very important aspect of our shipping industry. Reference to section 2 will demonstrate that the act will cease to be effective after June 30, 1960.

This legislation was necessitated by a decision of the Supreme Court rendered May 19, 1958, which held that a dual rate system proposed by the Japan-Atlantic and Gulf Freight Conference was illegal under the provisions of the Shipping Act of 1916. Although by its terms the decision applied only to this one conference, Mr. Justice Frankfurter, speaking for the minority of the Court, pointed out that the Court actually struck down all dual-rate systems which are designed to meet outside competition—see pages 26 and 28 of our committee report.

For over 40 years steamship lines of the United States and most of the rest of the world have been operating under conference systems designed to maintain stability of rates which would be charged uniformly to all shippers, big or small, and to maintain a quality and frequency of service designed to promote foreign commerce.

Conferences among competing steamship lines to fix rates charged by all of the conference members when approved by the Federal Maritime Board were legalized by the Shipping Act of 1916. These conferences, open to all qualified carriers, encounter two types of competition. First, there is the ocean tramp.

This vessel does not sail on any fixed itinerary. Rather, it sails to the various portions of the world according as the best freight rates are offered—thus, skimming the cream from the trades which conference lines regularly serve. Secondly, there is the nonconference line which refuses to become a conference member. It traditionally charges lower freight rates by a fixed percentage, usually 10 percent, than the conference lines. It is able to do this not because of greater efficiency, but because by such undercharge it is enabled to carry full shiploads, and by the force of steamship economics can thus realize profits at lower rates while the conference lines, transporting only partial cargoes, are losing heavily because of their reduced carryings. In order to enable the conferences to perform their rate-stabilizing functions they have been permitted, for over 40 years, to maintain so-called dual-rate systems, under which they allow a discount from their regular tariff rates to shippers who agree to confine their cargoes to the vessels of conference members for the contract period. These dual-rate systems insure to the conference lines a hard core of cargo such as will enable the conferences to ignore tramp competition and outside nonconference competition at cut rates. Thus, they are able to maintain stability. The testimony before our committee was that our merchants are more interested in the stability of rates over long periods of time and uniformity of rates as among competitors than they are in the actual level of the rates themselves.

The Federal Maritime Board and its predecessors for 40 years have considered these dual rate systems legal. So, too, was the Supreme Court supposed to have approved of dual rate systems in two outstanding decisions—the Cunard case and the Far East Conference case. The Supreme Court decision last May in the Japan-Atlantic and Gulf case dealt our maritime shipping system an unexpected and severe blow. It is the plan of our committee promptly to institute an investigation of the entire problem involved in steamship conferences and in dual rate systems. In the meantime, we consider it indispensable in order to avoid absolutely chaotic conditions in our shipping and in our import and export trades, that existing dual rate systems be preserved for the duration of our investigation. It should be well noted that the temporary legislation applies only to dual rate systems now in use. It will not legalize the Japan-Atlantic and Gulf dual-rate system which was the one specifically passed upon by the Supreme Court.

To indicate the widespread distress which would follow if this temporary legislation should not be adopted, it should be noted that over 60 conferences in most of the important trades in which United States merchants engage are using the dual rate system as of this date. In these conferences are all of the American subsidized carriers. These subsidized carriers are a unit in requesting us to see that this temporary legislation should be adopted. It has been said in opposition that there are numerous conferences which do not use the dual-rate system. This is true enough. However, it is to be noted that among the conferences which do not use the system are passenger conferences—as distinguished from freight conferences—to which dual rates obviously do not apply, and intercoastal conferences with respect to which the Maritime Board does not permit dual rates to be practiced. For the intercoastal trades stability of rates can be enforced by Board action, since the trades, being exclusively between domestic termini and being conducted solely by American flag carriers, are subject to different rules than those applicable to carriers in the foreign trade.

Some may raise the question whether our antitrust laws do not apply to cooperative rate making by competitive steamship companies. The relative positions of the Shipping Act on the one hand, and the antitrust laws on the other, with respect to the legality of dual rates have been decided by the Supreme Court. In *United States Navigation Company, Inc.* v. *Cunard Steamship Company, Ltd.* (284 U. S. 474 (1932)), a nonconference competitor attacked the dual rate system on all possible grounds. The Supreme Court held that the remedy afforded by the Shipping Act supersedes the antitrust laws, saying:

> The remedy is that afforded by the Shipping Act, which to that extent supersedes the antitrust laws.

The above statement is the law today. In *Far East Conference* v. *United States* (342 U. S. 570 (1952)) the United States, by the Department of Justice, attacked the dual rate system of the Far East Conference under the antitrust laws. The Supreme Court quoted the above language from the Cunard case and said:

> We see no reason to depart from *United States Navigation Co.* v. *Cunard Steamship Co.* (284 U. S. 474).

The recent Japan-Atlantic and Gulf case decided by the Supreme Court on may 19, 1958 did not pass upon any antitrust problem; but far from casting any doubt upon the holdings in the Cunard case and the Far East case, actually reasserted the propositions for which they stood with respect to the antitrust laws. Thus, the majority opinion in the Japan-Atlantic case stated:

> In Far East Conference the Court similarly held that the Board's primary jurisdiction precluded the United States from bringing antitrust proceedings against a shipping conference maintaining dual rates.

Therefore, if the antitrust laws are to be placed above the Shipping Act, completely new legislation to that end would be necessary. The problem is not involved in the temporary legislation, here being proposed.

The question has been raised whether the Federal Maritime Board has authority adequately to administer any antimonopoly features of the Shipping Act. The answer is that there is ample power. Under section 15 of the Shipping Act which authorizes the Board to give life to conferences there is also the power to bring that life to an end. The act provides "all agreements, modifications, or cancellations made after the organization of the Board shall be lawful only when and as long as approved by the Board, and before approval or after disapproval it shall be unlawful to carry out in whole or in part, directly or indirectly, any such agreement, modification, or cancellation." If conferences and their members would attempt to continue acting cooperatively after the conference agreement has been disapproved by the Board they would, under section 15, be "liable to a penalty of $1,000 for each day such violation continues, to be recovered by the United States in a civil action." The Board has made repeated use of its power over conference dual-rate systems. The most frequent illustrations are found in cases where conferences using dual rates have attempted to exclude qualified members from the conference. In those cases the Board has advised the conference that unless the new members are promptly admitted, the Board would give consideration to a cancellation of the conference agreement. *Prelph Bros. & Co., Inc.* v. *Cosulich-Societa* (1 U. S. M. C. 634 (1937)) and *Sprague Steamship Agency, Inc.* v. *A/S Ivarans Rederi* (2 U. S. M. C. 72 (1939)). Another illustration arises in cases where conference agreements are up for amendment and objection is taken by the Board on its own motion or on the objection of others to the manner in which the dual-rate system is being administered. There the Board will withhold approval of the amendment until the objectionable features in the dual-rate system are removed—Pacific Coast European Conference Agreement (3 U. S. M. C. 11 (1948)). In addition, the Board will deny approval of a dual-rate system which would result in a virtual monopoly and which would not be necessary to cure rate instability—Trans Pacific Freight Conference of Japan (4 F. M. B. (1955)).

I believe, therefore, that the Board has complete power to regulate monopoly or restraint of trade in the shipping business. Perhaps the vigor with which it exercises its power may vary from year to year with the personnel of the Board. I suggest that the manner of administration should be kept under constant vigilance by requiring detailed reports to the Congress as to the manner in which the power is exercised. It may be that in our 2-year investigation some defects may develop which can be cured by amendatory legislation.

Our investigation will be the first general inquiry into the problems of ocean transportation since the famous report of the House Merchant Marine and Fisheries Committee in 1912 and 1913 under House Resolution 425 and House Resolution 587. The report of that committee, under the chairmanship of Joshua W. Alexander of Missouri, is a landmark in the history of ocean transportation.

We desire to emphasize that it is not the purpose of this temporary legislation to reverse a decision of the Supreme Court. The bill is so worded as to apply only to dual rate systems "in use" at the time when the legislation will be enacted. Thus, the Japan-Atlantic and Gulf Freight Conference which was in-

volved in the Supreme Court litigation will not be admitted to the benefits of this temporary legislation.

Its effect is only to preserve the status quo. I desire to remind you again that it was the view of Mr. Justice Frankfurter that all dual rate systems were rendered illegal by the decision in the Japan-Atlantic and Gulf case. If this view is adopted by the Maritime Board or by the lower courts, the result would be that for the period during which a Congressional investigation would be in progress and permanent legislation would be under discussion, conferences may be forced to abandon the prime purpose of maintaining stability in our ocean freight rates, with the resulting rate wars and chaotic conditions in our foreign commerce generally. That is a risk which I believe the Congress should be most reluctant to take.

Mr. CELLER. Mr. Speaker, H. R. 12751 was only introduced on June 2 of this year following a Supreme Court decision rendered in May 1958. The consideration given to this proposed legislation by the Committee on Merchant Marine and Fisheries was so prompt that my attention was directed to matters which seriously concern me as chairman of the Committee on the Judiciary only after the bill had been favorably reported. I regret that I was therefore unable to appear before the Committee on Merchant Marine and Fisheries and direct their attention to the serious implications of the proposed legislation insofar as the antitrust laws are concerned.

H. R. 12751, as I have said, is the aftermath of a Supreme Court decision handed down in the case of Federal Maritime Board against Isbrandtsen. This case held that dual rate agreements entered into with shippers by conference carriers for the purpose of curtailing competition were illegal under section 14 of the Shipping Act.

Dual rate agreements are contracts whereby the shipper who agrees to transport his wares exclusively on conference carriers is charged a lesser rate for the same service than the shipper who will not agree to sign an exclusive patronage contract. The present bill, if passed, would validate all dual rate contracts in use by members of conferences as of the date of enactment.

Mr. Speaker, for years the Antitrust Division has been attacking the validity of these dual rate agreements under the antitrust laws. In the view of the Department of Justice, with which I am heartily in accord:

> The system is inconsistent with the basic tenets of antitrust philosophy because it allows a group of businessmen concertedly to employ a coercive and discriminatory rate device which is designed to drive nonmembers of the combine out of the trade, or seriously to weaken their competitive position. (H. Rept. No. 2055, p. 4 (1958).)

Why are dual rate agreements so antithetical to the principles of the antitrust laws? I have been able to find no better statement than that of the Maritime Board itself which has very frankly confessed that the principal purpose of these dual rates is monopolistic.

> The contract system—

Said the Board in a brief filed in a recent case—

> Should be frankly recognized as a device tending toward the monopolization of ocean commerce in particular trades by the members, collectively, of conferences which serve those trades. (Cited in *Isbrandtsen Co.* v. *United States* (96 F. Supp. 883 (1951).)

Why then the present bill to legalize these discriminating dual rate agreements? According to the committee which reported it—

> This is interim legislation to provide a reasonable time for thorough study of the entire operation of steamship conferences and their practices, the first in 44 years. (H. Rept. No. 2055, p. 1 (1958).)

Search as you will, however, you will find absolutely nothing in this bill purporting to authorize or require any study of steamship conferences or providing funds therefor. Nor, need I remind you, is there any need at all for such legislation if the committee wishes to study the subject of steamship conferences, a matter clearly within its jurisdiction.

The question still remains then. What is the reason for this proposed legislation? The committee expressly disavows any attempt, by this bill, to circumvent the Supreme Court's recent decision in the Isbrandtsen case. It declares in its report—

> It is not the intent of the committee to circumvent the recent ruling of the Supreme Court in the Isbrandtsen case, since the Court in that instance decided the question before it on the very narrow grounds on which it was brought. The majority opinion did not set aside the dual-rate system, nor conferences as such. (Id. at 1–2.)

If by this statement, the committee intends to convey the idea that this bill would not, in effect, overturn the Isbrandtsen case, at least for the period of 2 years specified in the bill, then the committee is grossly in error. Isbrandtsen held that a dual rate contract system, employed for the purpose of curtailing competition, was illegal under Section 14 Third of the Shipping Act of 1916. This bill, if passed, however, would change the law so that—

> Nothing in this section 14 or elsewhere in this act, shall be construed or applied to forbid or make unlawful any dual rate contract arrangement in use by members of a conference on the effective date of this amendment.

Can there be any question, then, but that this bill would overrule, by legislative fiat, the Supreme Court's decision in the Isbrandtsen case?

If this is all the bill would do, the objections against its passage would not be so serious. But the bill goes much further than merely to stay the application of the rule of stare decisis to the ocean transport industry following the Isbrandtsen case. Perhaps this is what the committee means when it says it is not trying to circumvent the ruling of the Court in that case, since by this legislation it is conferring an immunity from suit upon all dual-rate agreements presently existing among conferences of steamship carriers, whether covered by the Isbrandtsen ruling or not. As for justification for this drastic action, it offers none.

I serve notice that the Judiciary Committee's Antitrust Subcommittee will be interested in this exemption to the antitrust laws. During the coming recess I shall cause a thoroughgoing inquiry into the operation of these dual-rate conferences anent our antitrust laws.

There is not even a requirement in the bill that the dual-rate agreements be approved by the Federal Maritime Board in order to be validated under the proposed legislation. This in effect overturns existing law as it has been interpreted for at least 4 years. See *Isbrandtsen Co.* v. *United States* (211 F. 2d 51 (D. C. Cir. 1954)) holding that until such dual-rate systems adopted by conference carriers had been approved by the Maritime Board "the agreement is subject to the operation of the antitrust laws, under which price-fixing agreements are illegal per se." thus, under the proposal, all dual-rate contract systems that have been promulgated prior to date of passage by conference carriers without control or supervision remain legal for a period of at least 2 years. This is a blanket exemption virtually unprecedented in the entire annals of legislative history.

Mr. TOLLEFSON. Mr. Speaker, the bill H. R. 12751 would amend section 14 of the Shipping Act, 1916, to provide that nothing in that act shall be construed to forbid or make unlawful any dual-rate contract arrangement in effect at the time of enactment by members of a steamship conference organized under an agreement approved under section 15 of the act by the Federal Maritime Board.

The term "dual-rate contract arrangement," as used in the bill, means a practice whereby a conference establishes tariffs of rates at two levels, the lower of which is charged to shippers who agree to ship their cargoes on vessels of members of the conference exclusively and the higher of which is charged to those who do not.

This bill would become effective immediately upon enactment, and would continue in effect only until June 30, 1960. This is interim legislation to provide a reasonable time for thorough study of the entire operation of steamship conferences and their practices, the first in 44 years.

It is not the intent of the committee to circumvent the recent ruling of the Supreme Court in the Isbrandtsen case, since the Court in that instance decided the question before it on the very narrow grounds on which it was brought. The majority opinion did not set aside the dual-rate system, nor conferences as such, but merely stated that it decided as it did:

> In view of the fact that in the present case the dual-rate system was instituted for the purpose of curtailing Isbrandtsen's competition.
>
> This consideration, moreover, is particularly compelling in light of our present holding. Since, as we hold, section 14 third strikes down dual-rate systems only where they are employed as predatory devices.

Our committee simply wants time to study this matter. The bill would permit existing conferences and dual-rate arrangements to continue in effect until

June 30, 1960. There are about 60 such conferences. The recent Supreme Court decision dealt with only one of them. However, the decision might raise questions with respect to the others and could result in chaos and confusion in the industry unless the pending measure is approved. I urge the House to approve the bill.

Mr. BONNER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BONNER: Page 1, line 8, after the word "on", strike out the words "the effective date of this amendment" and in lieu thereof insert the words "May 19, 1958."

The amendment was agreed to.

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

House Resolution 652 was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. BONNER. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks on the bill just passed.

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

There was no objection.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs may have until midnight tonight to file a report on S. 4036.

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

There was no objection.

DEPARTMENT OF JUSTICE MOVING TO RESOLVE SMALL-BUSINESS PROBLEMS OF ASCAP MEMBERS

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

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

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, during March and April of this year Subcommittee No. 5 of the House Small Business Committee, of which I am privileged to be chairman, held a series of hearings relating to the policies of the American Society of Composers, Authors, and Publishers. During the course of these hearings evidence was developed which pointed to the serious competitive handicaps under which the smaller composers and publishers were required to operate. In many instances these handicaps appeared to stem from regulations and policies issued and applied by ASCAP.

At the conclusion of the hearings a complete set of the record of the evidence was supplied promptly to the Antitrust Division, Department of Justice, which agency had obtained a decree against ASCAP during March of 1950.

The testimony and evidence developed by the subcommittee showed that the Antitrust Division certainly would be warranted in studying this evidence with the view in mind of determining whether it should initiate further corrective action in order to preserve or restore the ability of the smaller composers and publishers to remain in business.

Since the continued existence of literally hundreds of smaller publishers and composers may well depend upon the nature of the action taken by the Department, I feel that they are entitled to know about any such action being undertaken. For this reason I am pleased to announce that I have been given to understand that the Antitrust Division is now negotiating with ASCAP representatives in an effort to resolve those competitive problems which were shown to exist by the Subcommittee's hearings.

It is heartening to learn that the Department of Justice has moved along these lines although certainly I had hoped that final action could have been taken long before this date.

It is my intention to watch eagerly the result of these negotiations in order to learn whether they will be successful in bringing about a situation wherein the smaller members of the industry can survive and compete with an acceptable degree of effectiveness.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

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

There was no objection.

CAMPAIGN EXPENDITURES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the present consideration of House Resolution 656.

The Clerk read the resolution, as follows:

Resolved, That a special committee of five Members be appointed by the Speaker of the House of Representatives to investigate and report to the House not later than January 3, 1959, with respect to the following matters:

(1) The extent and nature of expenditures made by all candidates for the House of Representatives in connection with their campaign for nomination and election to such office.

(2) The amounts subscribed, contributed, or expended, and the value of services rendered, and facilities made available (including personal services, use of advertising space, radio and television time, office space, moving-picture films, and automobile and any other transportation facilities) by any individual, individuals, or group of individuals, committee, partnership, corporation, or labor union, to or on behalf of each such candidate in connection with any such campaign or for the purpose of influencing the votes cast or to be cast at any convention or election held in 1958 to which a candidate for the House of Representatives is to be nominated or elected.

(3) The use of any other means or influence (including the promise or use of patronage) for the purpose of aiding or influencing the nomination or election of any such candidates.

(4) The amounts, if any, raised, contributed, and expended by any individual, individuals, or group of individuals, committee, partnership, corporation, or labor union, including any political committee thereof, in connection with any such election, and the amounts received by any political committee from any corporation, labor union, individual, individuals, or group of individuals, committee, or partnership.

(5) The violations, if any, of the following statutes of the United States:

(a) The Federal Corrupt Practices Act.

(b) The act of August 2, 1939, as amended, relating to pernicious political activities, commonly referred to as the Hatch Act.

(c) The provisions of section 304, Public Law 101, 80th Congress, chapter 120, 1st session, referred to as the Labor Management Relations Act, 1947.

(d) Any statute or legislative act of the United States or of the State within which a candidate is seeking nomination or reelection to the House of Representatives, the violation of which Federal or State statute, or statutes, would affect the qualification of a Member of the House of Representatives within the meaning of article I, section 5, of the Constitution of the United States.

(6) Such other matters relating to the election of Members of the House of Representatives in 1958, and the campaigns of candidates in connection therewith, as the committee deems to be of public interest, and which in its opinion will aid the House of Representatives in enacting remedial legislation, or in deciding contests that may be instituted involving the right to a seat in the House of Representatives.

(7) The committee is authorized to act upon its own motion and upon such information as in its judgment may be reasonable or reliable. Upon complaint being made to the committee under oath, by any person, candidate, or political committee, setting forth allegations as to facts which, under this resolution, it would be the duty of said committee to investigate, the committee shall investigate such charges as fully as though it were acting upon its own motion, unless, after a hearing upon such complaint, the committee shall find that the allegations in such complaint are immaterial or untrue. All hearings before the committee, and before any duly authorized subcommittee thereof, shall be public, and all orders and decisions of the committee, and of any such subcommittee shall be public.

For the purpose of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such public hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the 85th Congress, to employ such attorneys, experts, clerical, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, and to take such testimony as it deems advisable. Subpoenas may be issued under the signature of the chairman of the committee or any subcommittee, or by any member designated by such chairman and may be served by any person designated by any such chairman or member.

(8) The committee is authorized and directed to report promptly any and all violations of any Federal or State statutes in connection with the matters and things mentioned herein to the Attorney General of the United States in order that he may take such official action as may be proper.

(9) Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof,

willfully makes default, or who having appeared, refuses to answer any question pertinent to the investigation heretofore authorized, shall be held to the penalties prescribed by law.

That said committee is authorized and directed to file interim reports whenever in the judgment of the majority of the committee, or of a subcommittee conducting portions of said investigation, the public interest will be best served by the filing of said interim reports, and in no event shall the final report of said committee be filed later than January 3, 1959, as hereinabove provided.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, this is a resolution that is offered every 2 years; is that not correct?

Mr. McCORMACK. Yes; that is correct.

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

Mr. GROSS. I yield.

Mr. MARTIN. I might say to the gentleman from Iowa that this is the resolution that generally comes up when we are about ready to adjourn and I hope that is what it indicates at this time.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

MAKING EQUITY CAPITAL AND LONG-TERM CREDIT MORE READILY AVAILABLE FOR SMALL-BUSINESS CONCERNS

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 3651) to make equity capital and long-term credit more readily available for small-business concerns, and for other purposes, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. SPENCE, BROWN of Georgia, PATMAN, RAINS, KILBURN, McDONOUGH, and WIDNALL.

TRANSPORTATION ACT OF 1958

Mr. HARRIS. Mr. Speaker, I call up the conference report on the bill (S. 3778) to amend the Interstate Commerce Act, as amended, so as to strengthen and improve the national transportation system, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 2274)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3778) to amend the Interstate Commerce Act, as amended, so as to strengthen and improve the national transportation system, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: "That this Act may be cited as the 'Transportation Act of 1958'.

"AMENDMENT TO INTERSTATE COMMERCE ACT, RELATING TO LOAN GUARANTIES

"SEC. 2. The Interstate Commerce Act, as amended, is amended by inserting immediately after part IV thereof the following new part:

"'PART V

"'*Purpose*

"'SEC. 501. It is the purpose of this part to provide for assistance to common carriers by railroad subject to this Act to aid them in acquiring, constructing, or maintaining facilities and equipment for such purposes, and in such a manner, as to encourage the employment of labor and to foster the preservation and development of a national transportation system adequate to meet the needs of the commerce of the United States, of the postal service, and of the national defense.

"'*Definitions*

"'SEC. 502. For the purposes of this part—

"'(a) The term "Commission" means the Interstate Commerce Commission.

"'(b) The term "additions and betterments or other capital expenditures" means expenditures for the acquisition or construction of property used in transportation service, chargeable to the road, property, or equipment investment accounts, in the Uniform System of Accounts prescribed by the Interstate Commerce Commission.

"'(c) The term "expenditures for maintenance of property" means expenditures for labor, materials, and other costs incurred in maintaining, repairing, or renewing equipment, road, or property used in transportation service chargeable to operating expenses in accordance with the Uniform System of Accounts prescribed by the Commission.

"'*Loan guaranties*

"'SEC. 503. In order to carry out the purpose declared in section 501, the Commission, upon terms and conditions prescribed by it and consistent with the provisions of this part, may guarantee in whole or in part any public or private financing institution, or trustee under a trust indenture or agreement for the benefit of the holders of any securities issued thereunder, by commitment to purchase, agreement to share losses, or otherwise, against loss of principal or interest on any loan, discount, or advance, or on any commitment in connection therewith, which may be made, or which may have been made, for the purpose of aiding any common carrier by railroad subject to this Act in the financing or refinancing (1) of additions and betterments or other capital expenditures, made after January 1, 1957, or to reimburse the carrier for expenditures made from its own funds for such additions and betterments or other capital expenditures, or (2) of expenditures for the maintenance of property: *Provided*, That in no event shall the aggregate principal amount of all loans guaranteed by the Commission exceed $500,000,000.

"'*Limitations*

"'SEC. 504. (a) No guaranty shall be made under section 503—

"'(1) unless the Commission finds that without such guaranty, in the amount thereof, the carrier would be unable to obtain necessary funds, on reasonable terms, for the purposes for which the loan is sought;

"'(2) if in the judgment of the Commission the loan involved is at a rate of interest which is unreasonably high;

"'(3) if the terms of such loan permit full repayment more than fifteen years after the date thereof; or

"'(4) unless the Commission finds that the prospective earning power of the applicant carrier, together with the character and value of the security pledged, if any, furnish reasonable assurance of the applicant's ability to repay the loan within the time fixed therefor and reasonable protection to the United States.

A statement of the findings of the Commission required under the provisions of this subsection shall be made a matter of public record by the Commission with respect to each loan guaranteed under the provisions of this part.

"'(b) It shall be unlawful for any common carrier by railroad subject to this Act to declare any dividend on its preferred or common stock while there is any principal or interest remaining unpaid on any loan to such carrier made for the purpose of financing or refinancing expenditures for maintenance of property of such carrier, and guaranteed under this part.

"'*Modifications*

"'SEC. 505. The Commission may consent to the modification of the provisions as to rate of interest, time of payment of interest or principal, security, if any, or other terms and conditions of any guaranty which it shall have entered into pursuant to this part, or the renewal or extension of any such guaranty, whenever the Commission shall determine it to be equitable to do so.

"'*Payment of guaranties; action to recover payments made*

"'SEC. 506. (a) Payments required to be made as a consequence of any guaranty by the Commission made under this part shall be made by the Secretary of the Treasury from funds hereby authorized to be appropriated in such amounts as may be necessary for the purpose of carrying out the provisions of this part.

"'(b) In the event of any default on any such guaranteed loan, and payment in accordance with the guaranty by the United States, the Attorney General shall take such action as may be appropriate to recover the amount of such payments, with interest, from the defaulting carrier, carriers, or other persons liable therefor.

"'*Guaranty fees*

"'SEC. 507. The Commission shall prescribe and collect a guaranty fee in connection with each loan guaranteed under this part. Such fees shall not exceed such amounts as the Commission estimates to be necessary to cover the administrative costs of carrying out the provisions of this part. Sums realized from such fees shall be deposited in the Treasury as miscellaneous receipts.

"'*Assistance of departments or other agencies*

"'SEC. 508. (a) To permit it to make use of such expert advice and services as it may require in carrying out the provisions of this part, the Commission may use available services and facilities of departments and other agencies and instrumentalities of the Government, with their consent and on a reimbursable basis.

"'(b) Departments, agencies, and instrumentalities of the Government shall exercise their powers, duties, and functions in such manner as will assist in carrying out the objectives of this part.

"'*Administrative expenses*

"'SEC. 509. Administrative expenses under this part shall be paid from appropriations made to the Commission for administrative expenses.

"'*Termination of authority*

"'SEC. 510. Except with respect to such applications as may then be pending, the authority granted by this part shall terminate at the close of March 31, 1961: *Provided*, That its provisions shall remain in effect thereafter for the purposes of guaranties made by the Commission.'

"AMENDMENTS TO SECTION 1 OF INTERSTATE COMMERCE ACT

"SEC. 3. Section 1 of the Interstate Commerce Act, as amended, is amended (1) by inserting in subparagraph (a) of paragraph (2) thereof, after the word 'aforesaid' and before the semicolon following that word, a comma and the words 'except as otherwise provided in this part' and (2) by striking out the period at the end of the proviso in subparagraph (a) of paragraph (17) thereof and inserting in lieu thereof the following: 'and except as otherwise provided in this part.'.

"INTRASTATE RATES, FARES, CHARGES, CLASSIFICATIONS, REGULATIONS, OR PRACTICES

"SEC. 4. The first sentence of paragraph (4) of section 13 of the Interstate Commerce Act, as amended, is amended to read as follows:

"'(4) Whenever in any such investigation the Commission, after full hearing, finds that any such rate, fare, charge, classification, regulation, or practice causes any undue or unreasonable advantage, preference, or prejudice as between persons or localities in intrastate commerce on the one hand and interstate or foreign commerce on the other hand, or any undue, unreasonable, or unjust discrimination against, or undue burden on, interstate or foreign commerce (which the Commission may find without a separation of interstate and intrastate property, revenues, and expenses, and without considering in totality the operations or results thereof of any carrier, or group or groups of carriers wholly within any State), which is hereby forbidden and declared to be unlawful, it shall prescribe the rate, fare, or charge, or the maximum or minimum, or maximum and minimum, thereafter to be charged, and the classification, regulation, or practice thereafter to be observed, in such manner as, in its judgment, will remove such advantage, preference, prejudice, discrimination, or burden: *Provided*, That upon the filing of any petition authorized by the provisions of paragraph (3) hereof to be filed by the carrier concerned, the Commission shall forthwith institute on investigation as aforesaid into the lawfulness of such rate, fare, charge, classification, regulation, or practice (whether or not theretofore considered by any State agency or authority and without regard to the pendency before any State agency or authority of any proceeding relating thereto) and shall give special expedition to the hearing and decision therein.'

"NEW SECTION 13A OF INTERSTATE COMMERCE ACT

"SEC. 5. The Interstate Commerce Act, as amended, is amended by inserting after section 13 thereof a new section 13a as follows:

"'*Discontinuance or change of certain operations or services*

"'SEC. 13a. (1) A carrier or carriers subject to this part, if their rights with respect to the discontinuance or change, in whole or in part, of the operation or service of any train or ferry operating from a point in one State to a point in any other State or in the District of Columbia, or from a point in the District of Columbia to a point in any State, are subject to any provision of the constitution or statutes of any State or any regulation or order of (or are the subject of any proceeding pending before) any court or an administrative or regulatory agency of any State, may, but shall not be required to, file with the Commission, and upon such filing shall mail to the Governor of each State in which such train or ferry is operated, and post in every station, depot or other facility served thereby, notice at least thirty days in advance of any such proposed discontinuance or change. The carrier or carriers filing such notice may discontinue or change any such operation or service pursuant to such notice except as otherwise ordered by the Commission pursuant to this paragraph, the laws or constitution of any State, or the decision or order of, or the pendency of any proceeding before, any court or State authority to the contrary notwithstanding. Upon the filing of such notice the Commission shall have authority during said thirty days' notice period, either upon complaint or upon its own initiative without complaint, to enter upon an investigation of the proposed discontinuance or change. Upon the institution of such investigation, the Commission, by order served upon the carrier or carriers affected thereby at least ten days prior to the day on which such discontinuance or change would otherwise become effective, may require such train or ferry to be continued in operation or service, in whole or in part, pending hearing and decision in such investigation, but not for a longer period than four months beyond the date when such discontinuance or change would otherwise have become effective. If, after hearing in such investigation, whether concluded before or after such discontinuance or change has become effective, the Commission finds that the operation or service of such train or ferry is required by public convenience and necessity and will not unduly burden interstate or foreign commerce, the Commission may by order require the continuance or restoration of operation or service of such train or ferry, in whole or in part, for a period not to exceed one year from the date of such order. The provisions of this paragraph shall not supersede the laws of any State or the orders or regulations of any administrative or regulatory body of any State applicable to such discontinuance or change unless notice as in this paragraph provided is filed with the Commission. On the expiration of an order by the Commission after such investigation requiring the continuance or restoration of operation or service, the jurisdiction of any State as to such discontinuance or change shall no longer be superseded unless the procedure provided by this paragraph shall again be invoked by the carrier or carriers.

"'(2) Where the discontinuance or change, in whole or in part, by a carrier or carriers subject to this part, of the operation or service of any train or ferry operated wholly within the boundaries of a single State is prohibited by the constitution or statutes of any State or where the State authority having jurisdiction thereof shall have denied an application or petition duly filed with it by said carrier or carriers for authority to discontinue or change, in whole or in part, the operation or service of any such train or ferry or shall not have acted finally on such an application or petition within one hundred and twenty days from the presentation thereof, such carrier or carriers may petition the Commission for authority to effect such discontinuance or change. The Commission may grant such authority only after full hearing and upon findings by it that (a) the present or future public convenience and necessity permit of such discontinuance or change, in whole or in part, of the operation or service of such train or ferry, and (b) the continued operation or service of such train or ferry without discontinuance or change, in whole or in part, will constitute an unjust and undue burden upon the interstate operations of such carrier or carriers or upon interstate commerce. When any petition shall be filed with the Commission under the provisions of this paragraph the Commission shall notify the Governor of the State in which such train or ferry is operated at least thirty days in advance of the hearing provided for in this paragraph, and such hearing shall be held by the Commission in the State in which such train or ferry is operated; and the Commission is authorized to avail itself of the cooperation, services, records and facilities of the authorities in such State in the performance of its functions under this paragraph.'

"AMENDMENT TO SECTION 15A OF THE INTERSTATE COMMERCE ACT

"SEC. 6. Section 15a of the Interstate Commerce Act, as amended, is amended by inserting after paragraph (2) thereof a new paragraph (3) as follows:

"'(3) In a proceeding involving competition between carriers of different modes of transportation subject to this Act, the Commission, in determining whether a rate is lower than a reasonable minimum rate, shall consider the facts and circumstances attending the movement of the traffic by the carrier or carriers to which the rate is applicable. Rates of a carrier shall not be held up to a particular level to protect the traffic of any other mode of transportation, giving due consideration to the objectives of the national transportation policy declared in this Act.'

"AMENDMENT TO SECTION 203 (B) OF INTERSTATE COMMERCE ACT

"SEC. 7. (a) Clause (6) of subsection (b) of section 203 of the Interstate Commerce Act, as amended, is amended by striking out the semicolon at the end thereof and inserting in lieu thereof a colon and the following: '*Provided*, That the words "property consisting of ordinary livestock, fish (including shell fish), or agricultural (including horticultural) commodities (not including manufactured products thereof)" as used herein shall include property shown as "Exempt" in the "Commodity List" incorporated in ruling numbered 107, March 19, 1958, Bureau of Motor Carriers, Interstate Commerce Commission, but shall not include property shown therein as "Not exempt": *Provided further, however*, That notwithstanding the preceding proviso the words "property consisting of ordinary livestock, fish (including shell fish), or agricultural (including horticultural) commodities (not including manufactured products thereof)" shall not be deemed to include frozen fruits, frozen berries, frozen vegetables, cocoa beans, coffee beans, tea, bananas, or hemp, and wool imported from any foreign country, wool tops and noils, or wool waste (carded, spun, woven, or knitted), and shall be deemed to include cooked or uncooked (including breaded) fish or shell fish when frozen or fresh (but not including fish and shell fish which have been treated for preserving, such as canned, smoked, pickled, spiced, corned or kippered products);'.

"(b) Unless otherwise specifically indicated therein, the holder of any certificate or permit heretofore issued by the Interstate Commerce Commission, or hereafter so issued pursuant to an application filed on or before the date on which this section takes effect, authorizing the holder thereof to engage as a common or contract carrier by motor vehicle in the transportation in interstate or foreign commerce of property made subject to the provisions of part II of the Interstate Commerce Act by paragraph (a) of this section, over any route or routes or within any territory, may without making application under that Act engage, to the same extent and subject to the same terms,

conditions and limitations, as a common or contract carrier by motor vehicle, as the case may be, in the transportation of such property, over such route or routes or within such territory, in interstate or foreign commerce.

"(c) Subject to the provisions of section 210 of the Interstate Commerce Act, if any person (or its predecessor in interest) was in bona fide operation on May 1, 1958, over any route or routes or within any territory, in the transportation of property for compensation by motor vehicle made subject to the provisions of part II of that Act by paragraph (a) of this section, in interstate or foreign commerce, and has so operated since that time (or if engaged in furnishing seasonal service only, was in bona fide operation on May 1, 1958, during the season ordinarily covered by its operations and has so operated since that time), except in either instance as to interruptions of service over which such applicant or its predecessor in interest had no control, the Interstate Commerce Commission shall without further proceedings issue a certificate or permit, as the type of operation may warrant, authorizing such operations as a common or contract carrier by motor vehicle if application is made to the said Commission as provided in part II of the Interstate Commerce Act and within one hundred and twenty days after the date on which this section takes effect. Pending the determination of any such application, the continuance of such operation without a certificate or permit shall be lawful. Any carrier which on the date this section takes effect is engaged in an operation of the character specified in the foregoing provisions of this paragraph, but was not engaged in such operation on May 1, 1958, may under such regulations as the Interstate Commerce Commission shall prescribe, if application for a certificate or permit is made to the said Commission within one hundred and twenty days after the date on which this section takes effect, continue such operation without a certificate or permit pending the determination of such application in accordance with the provisions of part II of the Interstate Commerce Act.

"AMENDMENT TO SECTION 203 (C) OF INTERSTATE COMMERCE ACT

"SEC. 8. Subsection (c) of section 203 of the Interstate Commerce Act, as amended, is amended by striking out the period at the end thereof and inserting in lieu of such period a comma and the following: 'nor shall any person engaged in any other business enterprise transport property by motor vehicle in interstate or foreign commerce for business purposes unless such transportation is within the scope, and in furtherance, of a primary business enterprise (other than transportation) of such person.' "

And the House agree to the same.

OREN HARRIS,
KENNETH A. ROBERTS,
HARLEY O. STAGGERS,
WALTER ROGERS,
SAMUEL N. FRIEDEL,
JOHN J. FLYNT, JR.,
TORBERT H. MACDONALD,
CHARLES A. WOLVERTON,
JOSEPH P. O'HARA,
ROBERT HALE,
WILLIAM L. SPRINGER,
STEVEN B. DEROUNIAN,
J. ARTHUR YOUNGER,
Managers on the Part of the House.

WARREN G. MAGNUSON,
GEORGE A. SMATHERS,
FRANK J. LAUSCHE,
JOHN W. BRICKER,
ANDREW F. SCHOEPPEL,
WILLIAM A. PURTELL,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3778) to amend the Interstate Commerce Act, as amended, so as to strengthen and improve the national transportation system, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The bill as agreed to in conference (except for section 4) follows closely the substitute amendment which the House made to the Senate bill.

Except for clerical and minor drafting changes the differences between the House amendment and the bill as agreed to in conference are as follows:

LOAN GUARANTIES

The bill agreed to in conference, as did the Senate bill and the House amendment, adds new provisions to the Interstate Commerce Act to authorize the Interstate Commerce Commission to guarantee certain loans of common carriers by railroad subject to that act.

Coverage: The Senate bill provided for the guaranty of loans for capital expenditures, operating expenses (which includes maintenance), working capital, and interest on existing obligations. The House amendment provided for the guaranty of loans for capital expenditures and for not more than 50 percent of any loan for maintenance, such 50 percent limitation being based on maintenance charges in the preceding calendar year. The bill as agreed to in conference provides for the guaranty of loans for capital expenditures and maintenance (with the 50 percent House limitation being eliminated).

Maximum aggregate principal amount: The Senate bill provided that the aggregate of all loans guaranteed, including unpaid interest, should not exceed $700,000,000, of which no more than $150,000,000 could be loans for operating expenses and interest on existing obligations. The House amendment contained no maximum aggregate limitation with respect to loan guaranties. The bill as agreed to in conference provides that in no event shall the aggregate principal amount of all loans guaranteed by the Commission exceed $500,000,000.

Limitations: The Senate bill and the House amendment each provided that the Commission could not make a guaranty unless certain conditions or limitations were satisfied.

As was pointed out above, the conference substitute omits the 50-percent limitation on maintenance loans which was in the House amendment. Therefore, there is also omitted from the conference substitute a provision of the House amendment (added by a floor amendment) which would have barred the making of a guaranty in the case of a loan for maintenance expenditures "if the Commission fails to determine that on the date of the application the carrier has substantial deferred expenditures for maintenance of property, that such deferral has been required by the carrier's financial condition and that the carrier and lender have made arrangements which provided reasonable assurance that the proceeds of the loan will be used only to raise the annual level of maintenance expenditures by the carrier over the average annual level of such expenditures by the carrier during the period when such maintenance expenditures were being deferred."

A limitation taken from the Senate bill has been included, providing that no guaranty shall be made unless the Commission finds that the prospective earning power of the applicant carrier, together with the character and value of the security pledged, if any, furnish reasonable assurance of the applicant's ability to repay the loan within the time fixed therefor and reasonable protection to the United States.

In other respects, the provisions limiting the authority of the Commission to make guaranties are substantially the same as the provisions contained in the House amendment.

A sentence has been included to require that with respect to each loan guaranteed by the Commission the findings which the Commission must make, under the provisions above referred to imposing restrictions on the making of guaranties, shall be made a matter of public record.

Termination of authority: The Senate bill provided that the authority granted to guarantee loans should terminate December 31, 1960, except with respect to applications pending on that date, and that the provisions of the legislation should remain in effect after that date with respect to guaranties made by the Commission. The House amendment was the same as the Senate provision except that (1) the termination date was March 31, 1961, and (2) guaranties would not have been permitted in case of applications pending (but not approved) as of the termination date. The bill as agreed to in conference follows the Senate provision except that the House termination date of March 31, 1961, has been adopted.

SECTION 4 OF THE BILL AGREED TO IN CONFERENCE

This section embodies (with certain modifications) a portion of the provisions of section 3 of the Senate bill. That section of the Senate bill proposed to amend section 13 of the Interstate Commerce Act by rewriting paragraph (4) thereof and by adding thereto a new paragraph (5).

The subject matter involved is the authority of the Interstate Commerce Commission to remove discriminations against interstate commerce, primarily by making adjustments in intrastate rates of carriers by railroad subject to the Commission's jurisdiction.

This authority has been exercised by the Commission for many years under the existing law. However, principally because of certain recent Supreme Court decisions, referred to below, it is necessary to modify the existing law to strengthen it and make it more effective.

In the *Shreveport* case, *Houston, E. & W. T. R. Co.* v. *United States* (234 U. S. 342, decided June 8, 1914), the Supreme Court held that under the antidiscrimination provisions of the Interstate Commerce Act it was unlawful for railroads to maintain intrastate rates which caused discrimination against interstate commerce and that the Interstate Commerce Commission was authorized to require the removal of such discrimination even though the intrastate rates had been required by State authority. In 1920, by amendments to section 13 of the Interstate Commerce Act, Congress made this power explicit and prescribed procedure for its exercise. These provisions appear in section 13 (3) and (4) of that act.

Paragraph (4) of section 13 now empowers the Commission to require the removal of any undue or unreasonable advantage, preference, or prejudice as between persons or localities in intrastate commerce, on the one hand, and interstate or foreign commerce, on the other hand, or any undue, unreasonable, or unjust discrimination against interstate or foreign commerce caused by any intrastate rate, fare, charge, classification, regulation, or practice.

Section 4 of the bill agreed to in conference would amend paragraph (4) of section 13 in 3 particulars.

The first amendment is the insertion of the words "or undue burden on" in the present language describing the protection extended to interstate commerce. The addition of these words would serve to remove

any doubt as to the Commission's power in instances where, upon appropriate records, it finds, as it has done in some section 13 proceedings, that the burden cast upon interstate commerce by intrastate rates or charges is undue and therefore unjustly discriminatory. Such findings have been questioned in the courts. This proposed change would thus afford the Commission additional statutory support needed in the administration of section 13.

The second amendment is the insertion of the following words: "(which the Commission may find without a separation of interstate and intrastate property, revenues, and expenses and without considering in totality the operations or results thereof of any carrier, or group or groups of carriers wholly within any State)."

With this amendment, in order to exercise its jurisdiction over intrastate rates, the Commission still must find that such rates cause undue, unreasonable, or unjust discrimination against, or undue burden on interstate commerce. The amendment deals only with the nature of the evidence to support such a finding. By two recent decisions of the Supreme Court (*Chicago, Milwaukee, St. Paul and Pacific Railroad Co.* v. *State of Illinois* ((January 13, 1958), 356 U. S. 906) and *Public Service Commission of Utah* v. *United States* ((May 19, 1958), 356 U. S. 421), the Commission is required to consider the entire State operation, freight and passenger, in determining whether or not the intrastate freight rates were causing an undue revenue discrimination against interstate commerce. If the holdings in these cases mean that the required finding of "undue, unreasonable, or unjust discrimination against, or undue burden on, interstate or foreign commerce" can be made only in the light of the overall statewide totality of a carrier's operating results derived from its entire body of rates applicable within the State, it would preclude the Commission from making such a finding on a showing of only the effect of the particular rate or rates in question. The Commission could not, under such an interpretation, continue to function effectively in removing unjust discrimination against interstate commerce caused by intrastate rates and charges.

Rather than the amendment causing a change, it is the possible interpretation of these recent court decisions that would create a change in the present regulatory scheme. As stated in the dissenting opinion (of four justices) in the *Utah* case, a consequence of the decisions "would be a radical, and in all likelihood unworkable, change in the way the Commission has administered the provisions of section 13 (4) for over 35 years." It is essential, therefore, that this provision be enacted into law.

The third amendment is the addition of a proviso at the end of the first sentence of paragraph (4) directing the Commission, in this type of discrimination case, to exercise forthwith its authority by instituting an investigation and giving special expedition to the hearing and decision therein.

The purpose of this proviso is to avoid the delays which now ensue by reason of the practice generally on the part of the carriers of awaiting final action by the State authorities prior to filing a petition with this Commission for an investigation under section 13 (3). This has been the general practice, except where action on the part of the State authorities has been unduly delayed. The Commission also as a matter of comity has felt that it was undesirable to intervene while a matter is before a State commission and it has discouraged the filing with it of petitions in those circumstances. These practices have resulted in delays in removing discriminations against and burdens upon interstate commerce. The effect of this amendment would be to require the Commission to proceed promptly to a determination of such matters, regardless of the pendency of any proceedings before a State commission.

The above three amendments to paragraph (4) of section 13 do not vest the Commission with jurisdiction that it does not have today but deal with procedures in the exercise of that jurisdiction better to strengthen the protection of interstate commerce as designed in this provision of the act.

Section 3 of the Senate amendment also proposed to amend section 13 of the Interstate Commerce Act by adding a new paragraph (5) as follows:

"(5) In any proceeding before the Commission involving an investigation of or authorization or permission for a general adjustment in rates, fares, or charges, or any of them, or carriers subject to this part for the transportation of property or passengers, or both, in interstate commerce throughout, or substantially throughout, the United States, or one or more of the three major rate classification territories thereof (Official, Western or Southern), any such carrier or carriers parties thereto may by petition seek authority or permission of the Commission for a comparable adjustment of rates, fares, or charges for the transportation of like property or passengers wholly within an individual State or individual States. If, in such proceeding, the Commission finds (as it is hereby authorized to do) that authorizing or permitting an adjustment in interstate rates, fares, or charges without authorizing or permitting a comparable adjustment in intrastate rates, fares, or charges would cause, or create a circumstance of, advantage, preference, prejudice, discrimination or burden declared in paragraph (4) of this section to be unlawful, the Commission shall, incident to any adjustment it may authorize or permit in such interstate rates, fares, or charges, authorize or permit a comparable adjustment in such intrastate rates, fares, or charges. Pursuant to such authorization the said carrier or carriers, upon making any adjustment so authorized or permitted by the Commission in such interstate rates, fares, or charges may without further authority make a comparable adjustment in such intrastate rates, fares, or charges and adjustments so made in intrastate rates, fares, or charges shall be observed while continued in effect by the said carrier or carriers, the law of any State or the decision or order of any State authority to the contrary notwithstanding."

The bill as agreed to in conference does not contain the above-quoted paragraph (5) from the Senate bill, or any provision based thereon.

SECTION 5 OF THE BILL AGREED TO IN CONFERENCE

This section adds to the Interstate Commerce Act a new section 13a which would provide a method and procedures to make it possible for carriers by railroad subject to the Interstate Commerce Act to discontinue or change, in whole or in part, the operation or service of trains or ferries operated by such carriers, notwithstanding otherwise applicable State laws. At present the Interstate Commerce Commission has no jurisdiction over discontinuance of service unless a whole "line of railroad" is involved.

Both the Senate bill and the House amendment contained provisions on this subject, and the members of the committee of conference feel that the provisions of section 5 of the bill as agreed to in conference represent a reasonable and workable compromise of the controversial differences between the two Houses insofar as these provisions are concerned.

The proposed new section 13a, as contained in the bill agreed to in conference contains two paragraphs, designated (1) and (2).

Paragraph (1) deals with the discontinuance or change of the operation or service of a train or ferry "operating from a point in one State to a point in any other State or in the District of Columbia, or from a point in the District of Columbia to a point in any State." A procedure is set up whereby the carrier or carriers concerned may discontinue or change the operation or service (notwithstanding State law) upon giving 30 days' notice to the Interstate Commerce Commission (as well as certain other notice) of intention to do so. The Commission is given authority, during such 30-day period, upon complaint or on its own initiative, to commence an investigation of the proposed discontinuance or change. The Commission may require that the train or ferry be continued in operation or service pending a decision by it, but not for more than four months beyond the date when the discontinuance or change would otherwise take effect. Upon completion of the investigation the Commission may require continuance or restoration of the operation or service in question for a period of not to exceed one year from the date of its order, but only if it finds that the operation or service is required by public convenience and necessity and will not unduly burden interstate or foreign commerce. In case the Commission has made an order requiring the continuance or restoration of operation or service, the jurisdiction of the State with respect thereto shall no longer be superseded unless the procedure provided for in this provision shall again be invoked by the carrier or carriers. The provisions of this paragraph (1) follow the provisions of the House amendment rather closely so far as procedure is concerned, but in the House amendment the coverage of the provision was expressed in terms of operations or services other than those "performed by any carrier by railroad on a line of railroad located wholly within a single State."

Paragraph (2) of the proposed new section 13a, as contained in the bill agreed to in conference, deals with the discontinuance or change, in whole or in part, by a carrier or carriers of the same class referred to in paragraph (1), of the operation or service of any train or ferry operated "wholly within the boundaries of a single State." The paragraph would operate where such a carrier or carriers desires to discontinue or change any such operation or service, and where (1) the discontinuance or change is prohibited by the constitution or statutes of a State, (2) where the State authority having jurisdiction has denied an application duly filed for authority to discontinue or change the operation or service, or (3) where the State authority having jurisdiction shall not have acted finally on such application within 120 days from the presentation thereof. Under such circumstances this paragraph would permit the carrier or carriers to file with the Interstate Commerce Commission a petition for authority to effect the discontinuance or change in question. The Commission is given the power to grant the authority applied for, but only if it has had a full hearing on the matter and made a finding that "(a) the present or future public convenience and necessity permit of such discontinuance or change, in whole or in part, of the operation or service of such train or ferry, and (b) the continued operation or service of such train or ferry without discontinuance or change, in whole or in part, will constitute an unjust and undue burden upon the interstate operations of such carrier or carriers or upon interstate commerce." It is provided that in the case of any such proceeding, notification shall be given to the Governor of the State concerned at least 30 days in advance of the commencement of the hearing by the Commission, and the Commission is required to hold such hearing in

the State in which the train or ferry is operated. It is provided that the Commission may avail itself of the cooperation of the services and facilities of the State authorities in the performance of its functions under this paragraph.

There has been omitted from the bill agreed to in conference a provision of the House amendment which would have directed the Interstate Commerce Commission to make a study and report on the passenger train deficit problem and to report thereon to Congress. On its own initiative the Commission has heretofore instituted a broad investigation which would include this subject, and if this provision of the House amendment were retained it might call for an unnecessary duplication of effort on the part of the Commission.

AGRICULTURAL COMMODITIES EXEMPTION

Section 7 of the bill agreed to in conference amends section 203 (b) (6) of the Interstate Commerce Act, with respect to the exemption from regulation of motor carrier transportation of certain agricultural commodities. Both the Senate bill and the House amendment contained provisions on this subject.

Under the Senate bill the agricultural commodities exemption was frozen, with a slight modification, in accordance with ruling No. 107, dated March 19, 1958, of the Bureau of Motor Carriers, Interstate Commerce Commission. The same was true of the House amendment, but the modifications were somewhat different. The modification made by the House amendment included the return to economic regulation of the transportation by motor vehicle of frozen fruits, frozen berries, frozen vegetables, coffee, tea, cocoa, bananas, hemp, wool imported from any foreign country, wool tops and noils and wool waste which has been carded but not spun, woven, or knitted. This modification also included the exemption from economic regulation of the transportation by motor vehicle of fish or shell fish, and fresh or frozen products thereof containing seafood as the basic ingredient, whether breaded, cooked, or otherwise prepared, but not including fish and shell fish which have been treated for preserving, such as canned, smoked, salted, pickled, spiced, corned, or kippered products.

Under the conference agreement the agricultural commodities exemption is frozen in accordance with ruling No. 107, referred to above, with the following modification, which is a compromise between the Senate and House provisions: Returned to economic regulation is the transportation by motor vehicle of frozen fruits, frozen berries, frozen vegetables, cocoa beans, coffee beans, tea, bananas, hemp, wool imported from any foreign country, wool tops and noils and wool waste which has been carded, spun, woven, or knitted. Exempted from economic regulation is the transportation of cooked or uncooked (including breaded) fish or shell fish when frozen or fresh, but not including fish and shell fish which have been treated for preserving, such as canned, smoked, pickled, spiced, corned, or kippered products.

Under the House amendment any person engaged on June 1, 1958, in trucking the aforementioned commodities which are returned to economic regulation by this amendment would be entitled, upon application, to a certificate or permit allowing him, under regulation, to continue the transportation of the same commodities within the same areas or between the same points. The Senate bill used the date of January 1, 1958. The conference agreement uses the date May 1, 1958.

PSEUDO-PRIVATE CARRIAGE OF PROPERTY BY MOTOR VEHICLE

Section 8 of the bill agreed to in conference amends section 203 (c) of the Interstate Commerce Act, which prohibits certain operations in the transportation of property by motor vehicle without first obtaining appropriate operating authority.

The Senate bill and the House amendment each proposed to amend this provision, and the amendments proposed were quite similar but not identical.

The House amendment provided that no person should, in connection with any business enterprise other than transportation, transport property by motor vehicle in interstate or foreign commerce unless such transportation was incidental to, and in furtherance of, a primary business enterprise, other than transportation, of such person. The conference agreement provides that no person, engaged in any business enterprise other than transportation, shall transport property by motor vehicle in interstate or foreign commerce for business purposes unless such transportation is within the scope and in furtherance of a primary business enterprise, other than transportation, of such person.

OREN HARRIS,
KENNETH A. ROBERTS,
HARLEY O. STAGGERS,
WALTER ROGERS,
SAMUEL N. FRIEDEL,
JOHN J. FLYNT, JR.,
TORBERT H. MACDONALD,
CHARLES A. WOLVERTON,
JOSEPH P. O'HARA,
ROBERT HALE,
WILLIAM L. SPRINGER,
STEVEN B. DEROUNIAN,
J. ARTHUR YOUNGER,
Managers on the Part of the House.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

HON. GEORGE H. CHRISTOPHER

Mr. CANNON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a letter.

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

There was no objection.

Mr. CANNON. Mr. Speaker, in an extension of remarks on the Honorable GEORGE H. CHRISTOPHER, on July 24, 1958, I inadvertently failed to include the following letter from Mr. Julius Helm of the Missouri State Rural Electrification Association:

MISSOURI STATE RURAL
ELECTRIFICATION ASSOCIATION,
Jefferson City, Mo., March 31, 1958.

Hon. GEORGE H. CHRISTOPHER,
House Office Building,
Washington, D. C.

DEAR GEORGE: May I take this opportunity to express my personal appreciation, and the appreciation of all the REA co-op officials throughout the State, for the wonderful help you gave us during the Congressional committee hearings in Washington last week. As you so ably pointed out to the committee during your interrogation of various witnesses, it is difficult to understand why the farmer, through no fault of his own, has become the victim of the worst cost-price squeeze in the history of the country while practically every other segment of the national economy has been experiencing unprecedented prosperity. As you stated so forcefully during the hearings, this certainly is no time to place a greater financial burden upon the farmer by increasing his electric utility bill, regardless of how small the increase may seem to some people.

George, I want to reiterate as sincerely and honestly as I know how our appreciation for the consistent and wholehearted support you have always given the rural electrification and Federal power programs. It is my firm conviction that if it were not for such fearless and dedicated individuals, who are not afraid to stand up on the floor of Congress and be counted, that sooner or later legislation would be enacted that would cause the rates of the REA cooperatives to be so high that only a very few farmers could afford the blessings of electricity.

Any time you are in Jefferson City I wish you would drop by for a visit.

Sincerely yours,

JULIUS HELM,
General Manager.

EAST KENTUCKY OR EAST OF SUEZ

Mr. SILER. 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 Kentucky?

There was no objection.

Mr. SILER. Mr. Speaker, at the beginning of this 85th Congress I sought and received a place on the House Banking and Currency Committee. My purpose was to get into a position where I could work with others on that committee, having jurisdiction over financial aid to commerce and industry, toward offering the House a piece of legislation that would try to give assistance to the industrially depressed areas of our country. The present bill, S. 3683, to be known as the Area Development Act is that proposed legislation and many legislators and technicians have worked faithfully on it for presentation to this body whenever the leadership of the House is willing for this to be done.

Along with many others here in the House, I myself come from a depressed area. Such an area is one where the levee of misfortune is so high that the floodtide of prosperity never spills over into its little valley of despondency. It is a place where the jam is never quite down on the lower shelf. It is a hungry breadline in the midst of a land flowing with milk and honey. It is a woodland where the nightingale of hope does not sing any more because the mockingbird of despair has taken over and filled up the air with all the dirges of the doomed and the desperate. The rest of the country may be gloriously riding upon a high and happy crest of prosperity, yet here and there exist a few little black spots where the word prosperity is merely something to be read in the newspapers but never experienced in "e pluribus unum" reality.

Now there is nothing wrong with the terrain or substance of the physical land in these various depressed areas of the country. My own eastern Kentucky rolls in verdant beauty, abounds in mineral wealth, rises high in magnificent mountain peaks. Yet, paradoxically it is something of a barren desert, that is to say, a desert in the matter of employment opportunities for its citizens. Eastern Kentucky lost about 92,000 people between 1950 and 1956, or more than

a tenth of all of its population. Its jobless folks increased more than 75 percent from 1950 to 1957, during the very time when most of the remaining parts of America had so many jobs and so much currency their people were buying 2 TV sets for their homes, 2 cars for their garages, and 2 pots for 2 hens to cook on brandnew electric stoves.

There is nothing wrong with the patriotic impulses of our eastern Kentuckians. My own Congressional District furnished a Congressional Medal of Honor winner in World War I and another Congressional Medal of Honor man in World War II. Other uncounted thousands served this country well and heroically in both those wars. In Breathitt County down there in eastern Kentucky, we had no draft law whatever in operation during World War I because the Kentucky mountaineers of that county heard there was a big war in progress, then came pouring out of the deep hollows and rolling off of the rough hillsides to volunteer their services to this beloved country in its time of need. And also just across the State line from eastern Kentucky, over in eastern Tennessee, there rose that immortal and world famous patriot, Sergeant York, whose devotion to duty and country knew no bounds whenever the bayonets of war and grenades of destruction wreaked their terrible wrath on many of our sons of America in those dark days of conflict.

This Area Development Act would cause the Federal Government to cooperate with State governments to overcome that great evil of idleness and drive the pale spectre of hunger from domestic thresholds in many unhappy parts of our country's expanse. If we can furnish our tax dollars in foreign-aid programs to send rock and roll musicians to South America and the Far East, as we have done, and if we can use those same foreign-aid programs to build airfields in camel-traveling Afghanistan, as we have done, and if we can use those same foreign-aid programs to buy grass seed for Great Britain, as we have done, and if we can use those same foreign-aid programs to support Nehru's 5-year plan in a Soviet-sympathizing India, as we have done, and if we can build highways in Saudi Arabia for the Cadillacs of wealthy King Saud, as we have done, then why can we not approve this little measure to help our own flesh and blood in all of those areas where American citizens have often gone out to die for their country in the past and where they would readily do so again if called to the colors of our land? Let us help buy a few industrial sites and help build a few plants and help set up a few facilities over in Pennsylvania, down in West Virginia, out yonder in Kentucky and in other places, where we are not saying, "By and by hard times comes knocking at the door," because Old Hard Times has already been inside the door and has taken a seat at the breakfast table these past few years. The wolf has not only been at the door in my part of the country but has come inside and now has a full litter of pups. And we just cannot understand a Congress so much concerned over people east of Suez and so little concerned over people of east Kentucky.

Why not dry the tears of some frustrated mothers, put songs of happiness in the hearts of some underfed children, plant sustaining words of encouragement in the souls of some patriotic, God-fearing men who are ready, willing and able to work, all right here in good old America? Let us help our discouraged people of the depressed areas throughout the whole country to "trace the rainbow through the rain and feel the promise is not vain that morn shall tearless be." Let us help America. This bill is surely the "shadow of a mighty rock within a weary land." Let us give this bill a place on the calendar during these closing days of the 85th Congress and then let us act to make it a law that will help our own people. It can be done. It should be done. This bill would raise a bright star of hope amid the encircling gloom of depression throughout many places in our country. It would lend a helping hand to many spots like east Kentucky rather than those places east of Suez we have heretofore helped so much and so long on various occasions of the past. This is an all-American measure for an all-American people.

TAXES

Mr. SPEAKER. Under previous order of the House, the gentleman from Indiana [Mr. WILSON] is recognized for 20 minutes.

Mr. WILSON of Indiana. Mr. Speaker, I introduced on May 27 a bill which has brought a gratifying response from a large number of my colleagues as well as from a large number of responsible citizens throughout the country. It is a tax-reform proposal, just one of many proposals of similar objective needed to put this country's economic house in order.

My bill, H. R. 12709, would, in brief, provide for a reduction in the rate of tax on long-term capital gains from the present maximum of 25 percent to 12½ percent. It would provide that increased revenues from this proposal be applied by the United States Treasury Department toward reduction of the national debt.

As a longtime member of the Appropriations Committee, I have observed for many years that our Federal tax ratio is alarmingly past the level of diminishing returns. We are killing the golden-egg goose, drying up the springs from which flow new money into the Federal Treasury. How shortsighted can we be?

It is my absolute conviction, Mr. Speaker, that the present tax on long-term capital investment is an unwise tax. No other major nation imposes such a tax. It is largely a levy on capital and not on income. It is, in a real sense, confiscation of capital, a deterrent to expanding enterprise. It immobilizes billions of dollars in risk capital, a substantial portion of which would naturally find its way into turnover investments in new and small businesses. The healthy activity my bill would induce obviously would create new jobs, new and greater spending, and additional tax revenues. Incidentally, Mr. Speaker, it is stated by industrialists that it costs, today, about $15,000 to create a new job in America.

We also must not lose sight of the fact that the present capital-gains-tax level unfairly penalizes older owners of homes and farm and those individuals living on fixed incomes.

I am very much impressed with the results of a recent pilot survey conducted by the nonpartisan, nonprofit Investors League among its members which indicate that my bill, if enacted, would do all—if not more—than I contend it would do. This initial survey covered some 400 individual investors and it showed that they would sell stocks having a current value of $32 million which cost the investors about $13 million, and pay a tax of over $2.25 million on the profit.

Imagine. Only 400 people are eager to pay the Government over $2,250,000 in taxes which they do not have to pay, and which they will not pay unless this tax is reduced to a reasonable level.

It should readily be seen, Mr. Speaker, what this lower tax incentive would mean to investors throughout the Nation. It would unfreeze vast amounts of capital and encourage reinvestment in new enterprises, all of which would contribute to the Federal Treasury.

The present Federal tax income from the capital-gains source is probably less than $1.5 billion. It is estimated that there exists today unrealized capital gains in excess of $200 billion.

It is my hope that a comprehensive survey, planned for the period when Congress is not in session, will more accurately evaluate the probable addition to Treasury receipts resulting from my proposed legislation. These findings I would make available to the Congress, the Treasury Department, and the Nation's press and radio.

The legislation I propose, Mr. Speaker, should be politically nonpartisan. Also, I do not believe it should be acted upon by the Congress until results of the fuller survey have been made available. I am planning, therefore, to reintroduce this bill in the 86th Congress, early next year.

When I introduced H. R. 12709 I asked my colleagues whether they would personally favor its passage if a survey indicates, without doubt, that the United States Treasury would gain in revenue. I also have written personal letters, seeking opinions as to the worthiness of my proposal, to economists, executives of large and small businesses, and investment institutions across the Nation.

The response from my colleagues, on both sides of the political aisle, has been most gratifying. A substantial number of them have indicated support. The reaction from business and financial leaders and economists also has been impressive. Their letters of endorsement of the proposed legislation have come from every section of the country.

I desire to have printed in the RECORD, Mr. Speaker, a number of excerpts from letters I have received. They are representative of the widespread reaction from all areas. Incidentally, I have received only three negative replies. I am now convinced my colleages will be impressed with the soundness of these comments, just as I have been.

The excerpts follow:

The capital gains tax constitutes a serious social abuse in distorting stock market movements by its insulating of prices from appraisal according to criteria that are based on investment values. Such uneconomic distortion is striking today, at this advanced stage of a long bull market, with so many long-term investors being frozen into their holdings because of the substantial amount which they must pay in capital gains tax if and when they cash in their paper profits.

The investor in arriving at a decision whether to sell a stock on which sizable unrealized appreciation has accrued, is confronted with important practical deterrents. The stock must be overvalued by a number of points, which is at least equal to the amount of the tax (a maximum of 25 percent of the profits); such overvaluation to exist either in terms of money proceeds or in relation to other available investing opportunities. Also, in the case of an investor of comparatively advanced age, he will be deterred by the fact that under the statute continued holding until his death will completely free him and his estate from the punitive tax on his capital gains.

Your bill to cut the maximum capital gains tax in half would go a long way toward ameliorating these investment distortions. (A Wilfred May, executive editor, Commercial & Financial Chronicle, New York.)

I heartily endorse your bill. Such a revision would actually increase Treasury revenues and contribute to our economic health. (Edward T. McCormick, president, American Stock Exchange, New York City).

A copy of H. R. 12709 has been called to my attention. I want to commend you for your aggressive interest in this very important matter. In my opinion, the present rate of taxation on capital gains far exceeds the point of diminishing returns with a resulting loss of hundreds of millions of dollars in revenue for the Federal Treasury. Under the current practice many billions of personal savings have been frozen in the hands of investors. The degree of tax liability has replaced prudence as the dominant factor in investor decisions with the result that new and deserving enterprises, both small and large, are deprived of access of equity capital which they so urgently require for the Nation's development. (Harry W. Beese, president, Boston Stock Exchange.)

The Treasury is losing a great deal of revenue by setting a capital gains tax rate too high. Because of the resulting effect on the supply of venture capital, our economy is less dynamic than it should be. I heartily endorse your bill. (Walter Maynard, Shearson, Hammill & Co., New York City.)

Being in complete accord with your view that the present tax on long-term capital gains is largely a levy on capital and not on income, I subscribe most heartily to H. R. 12709. As Chairman of the Board and President of National Securities & Research Corp. which manages $330 million of mutual investment funds owned by over 150,000 shareholders located throughout the United States, I urge the adoption of your bill in the next Congress. (H. J. Simonson, Jr., president, National Securities & Research Corp., New York City.)

I am in agreement with what you have to say. Ours is the only capitalistic country in the world which taxes an increase in capital as if it were income. I am certain that a reduction in the capital-gains tax would increase revenue to the Treasury Department. (James Coggeshall, Jr., president, the First Boston Corp., New York City.)

I have long believed that a capital-gains tax is unsound. If the tax were cut in half, as you suggest, it would not only have a beneficial effect on the capital market but also would not cause any losses to the Treasury. (Marcus Nadler, professor of finance, New York University.)

I should like to commend you for your analysis and the position you have taken with respect to this most important tax and revenue problem, which so vitally affects, or could affect, our economy. (S. A. McCaskey, Jr., secretary, Allegheny Ludlum Steel Corp., Pittsburgh, Pa.)

I share your view that a tax at the present level constitutes a serious deterrent to the mobility of capital, which is so essential to the free enterprise system. I feel that an increased turnover of capital following a reduction in the capital gains tax rate not only would foster the national welfare but also would result in greater total tax receipts by the Federal Government. (W. Arthur Grotz, president, Western Maryland Railway Co., Baltimore, Md.)

Heartily support H. R. 12709 to reduce maximum capital gains tax rate to 12½ percent. Such a reduction would undoubtedly increase revenue from this self-imposed tax and release billions of dollars of locked-in capital to create new job opportunities. (G. Keith Funston, president, New York Stock Exchange.)

An objective survey of the matter to see what the probable result would be is most assuredly in order. (T. Coleman Andrews, Richmond, Va.)

I have for many years believed this tax has curtailed expansion of American business and industry. I believe the Government would actually increase its take if a bill along the lines you suggest were passed. (Herman W. Steinkraus, chairman, Bridgeport Brass Co., Bridgeport, Conn.)

I agree with everything you say in your letter and then some. In my opinion there should be no capital-gains tax at all. As you say it is a levy on capital and not on income, it sterilizes billions of risk capital, and it certainly penalizes the older people in connection with their investment opportunities. (Julian S. Myrick, chairman, the American College of Life Underwriters, New York.)

Your proposal is a progressive step and I heartily endorse both the reasoning and objectives you outlined. I hope the public can understand the issues involved, as there has been much false information spread which purports that a lower capital-gains tax would help only the rich. This, of course, is not true. I know a downward revision of this tax would do much toward getting business back on its feet and improve the living standard of everyone in the country. (Lewis B. Harder, president, South American Gold & Platinum Co., New York.)

In recent years there has been a growing tendency to provide corporate capital by long-term borrowing rather than by the sale of equity securities. This trend is not healthy for our country, but will eventually result in the concentration of the control of our corporations in the hands of insurance companies and large banking institutions and make it very difficult to finance new or small enterprises. Repeal of the long-term capital-gains tax would do a great deal to reverse this trend. (James D. Cooney, president, Wilson & Co., Inc., Chicago, Ill.)

I am quite interested in your proposal. I believe that you are on the right track. (G. A. Neal, chairman, Iowa Public Service Co., Sioux City, Iowa.)

The thanks of millions of investors in the United States are due you for your action on this matter. I do hope the contemplated national survey will convincingly indicate that the Treasury will actually gain revenue if this is enacted. (William J. Mack, the Northwestern Mutual Life Insurance Co., Cincinnati, Ohio.)

Not only do I believe your bill should be enacted, but I think that the tax on long-term capital should be entirely eliminated. Through our extensive subsidiaries operating in Canada, we have close personal contacts with substantial individuals in Canada. They demonstrate, clearly, that the elimination of the capital-gains tax leads to a more favorable capital structure for Canada and that, in large measure, accounts for the rapid growth of its economy of the past few years. (C. B. Morgan, president, Rayonier, Inc., New York.)

I am in full agreement with the terms of H. R. 12709. The tax is wholly unfair and unjustified from a business viewpoint. A national survey would show that under the reduced tax Government income would be higher than it is now. (Reno H. Sales, Butte, Mont.)

Am in favor of your bill 100 percent. I would go further and do completely away with capital gains tax. (William P. Meek, attorney at law, Baxter Springs, Kans.)

Having lived in Canada for a period of years where there is no capital gains tax as a general thing, I can see the benefits quite clearly if the legislation which you propose is adopted. (Stanley L. Holland, president, Union Twist Drill Co., Athol, Mass.)

It is my hope that you will be successful in your attempt to bring some financial and economic morality back into our fiscal affairs. It is heartening to know that we have such thinking in our Congress. (Ceasar Cone, president, Cone Mills Corp., Greensboro, N. C.)

The capital gains tax is the useless remainder of a former theory of economics now thoroughly disproven, not only in the United States but in every civilized nation of the world. (Robert O. Gilbert, Intercontinental Research & Analysis Co., New York.)

It is my opinion that the Federal Treasury will not lose revenue but will actually gain thereby if your bill becomes law. However, I also think it will be practically impossible to measure the total gain to the Treasury because of all the indirect benefits which would stem from a stepped-up velocity of money turnover. (Howard A. Newman, president, Philadelphia Reading Corp., New York.)

There is no question that a capital gains tax is a deterrent to investors and causes a loss, I believe, to the Treasury in taxes. (M. D. Thatcher, chairman, the First National Bank, Pueblo, Colo.)

The companies I serve have assets valued well in excess of a billion dollars, consisting largely of security portfolios. You will readily appreciate that the supervision and management of these portfolios is a highly significant part of our operations, and that in considering any changes in our holdings, the impact of capital gains taxation looms large in our deliberations. There are frequent occasions when we are deterred, solely by the tax factor, from making sales otherwise prompted by purely economic and financial considerations. This distortion of our investment activities is an undesirable burden from which your bill would obviously give substantial relief. (Geoffrey Davey, assistant treasurer, America Fore Loyalty Group, Newark, N. J.)

In the past 10 years the New Jersey Bell Telephone Co. has spent approximately $100 million a year on construction and most of this money had to be raised through bonds and stocks. With a large construction program still facing us, any law that would make equity capital more available would be extremely helpful to us. (W. A. Hughes, president, New Jersey Bell Telephone Co., Newark, N. J.)

I am happy to hear that you are renewing your efforts to reduce the capital gains tax rate from 25 to 12½ percent and can't help but agree with your conclusions that many billions of dollars are currently locked in investments and cannot afford to liquidate at the high tax rate. Hence, any substantial lowering of that rate should permit a more ready flow of capital and would, undoubtedly, give the Treasury more revenue than the present high rate which prevents liquidation. (McClure Kelley, president, Baldwin-Lima-Hamilton Corp., Philadelphia, Pa.)

A great deal of thought should be given to the entire problem of tax rates and the tax structure. One of the areas requiring such a revaluation is the capital gains tax. (Philip Sporn, president, Ohio Power Co., New York.)

It is my personal view that careful studies are in order as to the equity of our tax structure. Perhaps out of such a study there could come an enlightened tax policy which would stimulate capital investment and economic growth. It seems to me that the present long-term capital gains tax has an opposite tendency—it rewards the investor to remain inactive. What is needed is to free capital for the economic growth of our country. The purposes of your bill appear to point in that direction. (Everett J. Boothby, Washington Gas Light Co., Washington, D. C.)

I am quite sure that a national survey would very definitely bring evidence of the need and desirability for revising the present tax on long-term capital gains. (C. A. Macrie, president, Revere Copper & Brass, Inc., New York.)

It is my personal opinion that were the long-term capital gains tax reduced a very great number of investors, such as myself, would change their investments from time to time with the result that there would be considerably more tax paid than at present. (Frank C. Staples, president, American Molasses Co., New York.)

Your bill, H. R. 12709, to reduce the capital gains tax from 25 percent to 12½ percent would help our economy. There is no question in my mind that it would put many billions of dollars of risk capital to work. I am also certain it will help small business instead of big business. In the long run it will increase the tax take. (David H. Harshaw, president, John B. Stetson Co., Philadelphia.)

Your bill to reduce the capital-gains tax would, in my opinion, accomplish exactly what you maintain it would. It is unfortunate that so many of our representatives forget or do not seem to be aware that the very thing that made America great and gave it the greatest standard of living in the history of the world was the unrestricted growth of business under the free-enterprise system. I hope your bill succeeds. (Joseph P. Routh, New York.)

It is my opinion that your legislation is extremely desirable, and I share your belief that it would have the effect of increasing rather than reducing revenue. (J. A. Gerard, executive vice president, McGraw-Hill Publishing Co., Inc., New York.)

This bill, if enacted, will accomplish what you claim for it, and in the long run the Federal Treasury will gain rather than lose revenue, and at the same time place into circulation risk capital needed for healthy growth of the national economy. (E. H. Smoker, president, the United Gas Improvement Co., Philadelphia, Pa.)

I do not object to the rate of the tax, but it is my humble opinion that if the long term were reduced to 2 months instead of 6 months and the 25 percent rate kept, the Government would be ahead taxwise. (M. L. Sindeband, Ogden Corp., New York.)

I am most heartily in accord with your proposal. The whole tax structure of this country is such a horrible hodgepodge of injustices and confiscatory taxes that anything as constructive as your proposal is a step forward. (John E. Urquhart, president, Woodward Iron Co., Woodward, Ala.)

Your bill is a forward-looking piece of legislation that would benefit both the taxpayers and the Federal Treasury. (William V. Fisher, president, Anchor Hocking Glass Corp., Lancaster, Ohio.)

The reduction of the tax rate on capital gains is certainly a desirable objective, and I hope that you can make some progress along the lines of H. R. 12709. (Fred C. Foy, president, Koppers Co., Inc., Pittsburgh.)

I am wholeheartedly in favor of your campaign to reduce the tax rate on long-term capital gains from the present maximum of 25 percent to a rate of 12½ percent. Like you, I have no doubt that this would free a good many presently locked-in investments and would add to tax revenues rather than reduce them. The tax take from capital gains has been ridiculously low just because the rate has been too high. (J. C. Kauffman, vice president, the Chesapeake & Ohio Railway Co., Cleveland, Ohio.)

I completely share your view that a reduction in our capital-gain rate involves not only the matter of basic soundness, but should result in a gain in revenues to the Government. (J. D. Wright, president, Thompson Products, Inc., Cleveland, Ohio.)

It is my view that the capital-gains tax tends to restrict investments and is detrimental to the expansion of our economy. I am completely in favor of changes in our tax structure as provided in your bill. (J. W. Foley, president, the Texas Co., New York.)

You will have difficulty in steering such a bill through the House, but I am certain every holder of a share of stock will wish you godspeed and support you 100 percent in your efforts. (Pierre R. Bretey, Hayden, Stone & Co., New York.)

This plan would accomplish two desirable objectives: First, it would remove this onerous tax with its very bad features for our whole economy; second, it would move in the direction of reducing the national debt which has increased so greatly in recent years and will again increase in the current year. May I wish you every success with this statesmanlike objective. (Joel Hunter, president, Crucible Steel Company of America, Pittsburgh, Pa.)

Undoubtedly the present capital-gains tax has restricted the mobility of capital. It is the belief of many that this not only reduces the country's economic potential but also reduces the revenue potential of this form of tax at more moderate levels. I am hopeful your efforts will meet with success. (George P. MacNichol, Jr., president, Libbey-Owens-Ford Glass Co., Toledo, Ohio.)

Present laws pertaining to capital gains are archaic. If your bill could be adopted during the early period of the next Congress, it would provide a greatly needed incentive to our national economy. (R. S. Gerstell, president, Alpha Portland Cement Co., Easton, Pa.)

I believe Congress would render a great service to the country in passing the bill you have introduced. (P. S. Howe, president, the American Thread Co., New York.)

In your bill, since it looks politically impossible to entirely eliminate the capital-gains tax, you will find that the majority of the increase in tax will come from new profit taxes on corporations that are badly in need of working capital. That is the big gain that will be made, as it will promote the formation and growth of small companies and the Government will thereby share in such progress. (Lawrence S. Reed, president, Texas Gulf Producing Co., Houston, Tex.)

I am 100 percent convinced that your proposal would be about the most helpful thing to ignite new life in our economy. (Ade' Schumacher, president, the Firth Carpet Co., New York.)

It goes without my saying that your action in introducing this bill is a very worthy and intelligent method of increasing tax take. (George B. Storer, Storer Broadcasting Co., Miami Beach, Fla.)

I would favor any bill which would reduce or eliminate the capital gains tax. Its reduction or elimination would be justified whether or not the Treasury would lose money as a result. (Joseph L. Block, president, Inland Steel Co., Chicago, Ill.)

Most firms today need money for expansion. They could get that money from their present officers and stockholders were it not for the bite of the long-term capital gains tax. (Charles Ward, president, Brown & Bigelow, St. Paul, Minn.)

If, as anticipated by you, the independent study would show convincing evidence that our Federal Treasury would gain revenue as a result of your bill and at the same time individual and corporate taxpayers would pay half the present capital gains tax rate, I would be in favor of such legislation. (James A. Farley, chairman, the Coca-Cola Export Corp., New York.)

I personally know of many instances where the penalty for taking the capital gain has deterred individuals from making changes in their investments which would be to their advantage. Consequently, no tax whatsoever was collected by the Government and the individual was harmed. I am also convinced that the present capital gains tax makes it more difficult for new enterprises to get started. (E. P. Bullard III, president, the Bullard Co., Bridgeport, Conn.)

Indeed, the capital gains tax in and of itself, viewed against the legislative background, would seem to support a conclusion that we view the movement of capital from one investment to another in the same light as legalized gambling. But, there is one important exception—I don't know of any parimutuel arrangement, or crap game, or neighborhood Thursday night poker club that cuts the pot 25 percent. (David E. Smucker, president, Detroit, Toledo & Ironton RR Co., Dearborn, Mich.).

I can't see why your idea isn't a good one (H. R. 12709) but it is so difficult to get any tax relief bill through in the Senate or the House, and yet the good people of our country are bearing up under a terrific tax burden. (A. H. Starrett, president, the L. S. Starrett Co., Athol, Mass.)

My firm is in the business of underwriting as well as distributing securities. Because of the fact that there is a capital gains tax, we find it difficult to interest anybody in putting up risk capital to finance new and small business. (Frederic J. Blanchett, president, Blanchett, Hinton, & Jones, Inc., Seattle, Wash.)

Your bill would stimulate trading and consequently the Government would secure just as much revenue—or more—on a lower capital gains tax. The tax applied would be much more equitable also. (Karl F. Johnson, president, Steel Parts Corp., Indianapolis, Ind.)

I can think of no single contribution to the business life of this country which would stir as much activity and put as much money into the expansion and development as would the passage of this bill. (Edwin L. Parker, president, A. G. Spalding & Bros., Inc., Chicopee, Mass.)

We are in complete agreement that your proposal should be enacted into law because it will be beneficial to the United States, both from the standpoint of its people and the Federal Government. (Howard I. Young, president, American Zinc, Lead, & Smelting Co., St. Louis, Mo.)

It seems to me that anyone taking a long-range view, and looking forward to possibly their grandchildren or great grandchildren, would definitely have an interest in this bill. (H. F. Krimendahl, president, Stokely-Van Camp, Inc., Indianapolis, Ind.)

The economy as a whole would profit from a reduction in the capital gains tax by the resulting freer flow of capital into new business ventures, providing new job opportunities, more profits and higher revenues to the Government. (Bowman Gray, president, R. J. Reynolds Tobacco Co., Winston-Salem, N. C.)

I would certainly be highly in favor of the bill. I have no way of estimating the

effect on the Federal Government's revenue. I do know, however, that in very many cases the investors who would otherwise take a capital gain refuse to do so because of the comparatively high tax, and to me it would seem reasonable that a reduction in the rate might well increase the total revenue. (Robert G. Page, president, Phelps Dodge Corp., New York.)

I most emphatically approve of your bill and endorse not only its objectives, but also the reason for enactment of the legislation. The capital gains tax is a punitive tax, an unfair tax, and one that stifles incentives in vital investment fields. It also falls most inequitably and unfairly on certain groups. (O. Glen Saxon, professor of economics, Yale University.)

Others who have endorsed my proposal and have written letters or sent wires accordingly include the following: J. T. Simpson, president, Harsco Corp., Harrisburg, Pa.; James J. Shapiro, president, Simplicity Pattern Co., New York; B. J. Harris, president, Harvard Investors, Inc., Miami; William C. Croft, president, the Pyle-National Co., Chicago; Herbert B. Basset, president, Acme Wire Co., New Haven, Conn.; W. R. Ashburn, president, Smith-Douglass Co., Inc., Norfolk, Va.; Charles E. Beard, president, Braniff Airways, Dallas; William H. Chisholm, president, Oxford Paper Co., New York; F. G. Merckel, President, Wallace & Tiernan, Newark, N. J.; Joseph L. Eastwick, president, James Lees & Sons, Bridgeport, Conn.; Robert H. Levi, president, The Hecht Co., Washington; A. A. Garthwaite, chairman, Lee Rubber & Tire Corp., Conshohocken, Pa.; John C. Davidson, National Association of Manufacturers, New York; C. H. Simmons, president, Hoover Ball & Bearing Co., Ann Arbor, Mich.

Also A. H. Robinson, treasurer, Eastman Kodak Co., Rochester, N. Y.; John E. Selden, president, South Penn Oil Co., Oil City, Pa.; R. T. Riney, president, Sterling Brewers, Evansville, Ind.; John A. Robins, president, Fairmont Foods Co., Omaha, Nebr.; A. H. Daggett, president, Gould-National Batteries, Inc., St. Paul, Minn.; John G. Brooks, president, the Siegler Corp., Los Angeles; H. D. Palmer, president, Fenestra Corp., Detroit; Franklin P. Williams, president, S. S. Kresge Co., Detroit; W. R. Shook, treasurer, Worthington Corp., Harrison, N. J.; F. E. Wentworth, secretary, Ward Baking Co., New York; A. E. Forster, president, Hercules Powder Co., Wilmington, Del.; Henry Oetjen, president, Norfolk Southern Railway Co., Norfolk, Va.; H. C. Lumb, general counsel, Republic Steel Corp., Cleveland; John E. Tilford, president, Louisville & Nashville R. R. Co., Louisville; H. V. McNamara, president, National Tea Co., Chicago; John F. Lebor, vice president, Federated Department Stores, Cincinnati; Donald W. Nyrop, president, Northwest Airlines, Inc., St. Paul; Walter P. Marshall, president, Western Union Telegraph Co., New York; W. Thomas Rice, president, Atlantice Coast Line Railroad Co., Wilmington, N. C.; John R. Newell, president, Bath Iron Works Corp., Bath, Maine; R. J. Koch, chairman, Comptometer Corp., Chicago; R. B. Pamplin, president, Georgia-Pacific Corp., Portland, Oreg.; F. O. Koontz, president, Quaker State Oil Refining Corp., Oil City, Pa.; Hazard E. Reeves, president, Cinerama, Inc., New York; F. R. Wills, president, General Acceptance Corp., Allentown, Pa.; A. F. Metz, chairman, the Okonite Co., Passaic, N. J.

Mr. Speaker, the preceding quotations and the men I have listed as having written in favor of my proposal are among the business and financial leaders of this Nation. Their opinions should mean much to us. With each passing day I am receiving more mail and telegrams on this matter. I am keeping the material on file in my office and I will be glad to let any of my colleagues examine it.

Mr. WILSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include certain quotations.

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

There was no objection.

UNSEAT PANAMA PRESIDENT

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. FLOOD], is recognized for 15 minutes.

Mr. FLOOD. Mr. Speaker, in previous addresses this session concerning United States sovereign control over the Panama Canal, I have stressed political stability in the Isthmian area as an indispensable requisite for efficient operation of the Canal enterprises and expressed the fear that certain political elements in Panama were set on overthrowing the present government in that republic.

Though this aim has been often voiced in the press of Panama, especially in the Spanish language papers, it has now broken through into the press of the United States in an informative news story in the July 28, 1958, issue of the Washington (D. C.) Daily News by Edward Tomlinson, distinguished Latin-American correspondent of the Scripps-Howard newspapers. His writings have been found accurate, objective, and restrained.

In substantiation of the concern evidenced in the Tomlinson story, I note in the July 22, 1958, issue of La Hora, a Spanish-language newspaper of Panama, that Alfredo Aleman, Jr., a member of the National Assembly of Panama and a spokesman on foreign affairs of that body, has stated his intention of introducing a resolution at the Interparliamentary Conference now being held in Brazil asking for recognition of Panama's sovereignty rights over the Canal Zone. This, Mr. Speaker, is further evidence that hostile propaganda in Panama against the United States is still under way, and extends throughout the Americas.

In this general connection, it is important to recall that an able and popular President of Panama, José A. Remon, was assassinated on January 2, 1955, under circumstances suggestive of widespread conspiracy. Yet the actual assassins, despite confession subsequently repudiated, have never been punished, and all those charged with the crime have been acquitted. I believe that I reflect the thoughts of all friends of Panama in expressing the hope that this Isthmian country will not have to experience another such tragic occurrence.

Under leave to extend my remarks, I quote the indicated news story:

[From the Washington Daily News of July 28, 1958]

THEY DON'T LIKE HIS IDEAS—POLITICAL BOSSES WOULD UNSEAT PANAMA PRESIDENT

(By Edward Tomlinson)

PANAMA, R. P., July 28.—The political bosses of Panama are out to unseat President Ernesto De la Guardia, as they have many another President who tried to assert himself, or administer the Isthmian government according to his own ideas.

Some of the ablest observers of the Panamanian political scene are openly predicting he will not last until Christmas.

The chief executive of the little republic is a man of considerable intellect, an able lawyer. He also has been unwilling to conceal his admiration for the United States. This, in the eyes of the average Isthmian politician, is a fatal flaw in any high official of Panama.

NOVICE

Unfortunately, also a novice in politics, he has not known how to play off one political clique against another. He has thought he could be straightforward, honest, and the public would support him.

But in Panama, as in so many of the small Caribbean republics, this is not easy to do. In these countries public opinion is largely a product of propaganda. Little coteries of old families who either own or can squeeze the economic life out of the average newspaper consider it their special prerogative to dominate public opinion in the same way they dictate or control the nation's economy and political policies. President De la Guardia offended many of these elements in the very beginning by his show of independence, and they immediately launched a campaign to get him.

BANNERS

Their first move was to create public sentiment against him. They called out the claques—high school and university students.

The youngsters unfurled banners and slogans, "down with one-man rule," and "Panama for the Panamanians." Just for good measure, and to keep the spectre of foreign imperialism ever to the fore, they renewed their oft-repeated demand for nationalization of the Panama Canal.

When the man in the palace paid no attention to this, they went on strike, provoked incidents, took over and barricaded the university and the National Institute, which means the national high school.

When the agitators became violent, the national guard or army was called out to prevent destruction of property and molesting of citizens. The mobs grew more obstreperous, and several students were killed or injured. Now they had martyrs. Parents as well as students, along with all the extremists cried "down with despotism." The Nationalist press took sides with the students, of course, and all condemned the president for the unfortunate state of affairs. He became the scapegoat. They called upon him to resign or be ousted.

GIVES IN

Finally, the little man gave in, agreed to call off the troops, provided the kids would go back to their studies. But they refused until they had exacted a long list of promises. He would have to curb the military, by compelling the high officers to resign.

This showdown is scheduled for October, and no one expects any resignations. Most important of all, at least to the United States, he agreed to present Uncle Sam with a list of fantastic new demands for canal treaty concessions.

Then along came Dr. Milton Eisenhower and his study mission. Just to make sure that the President did not get cold feet, the students stepped into the picture once again. They demanded that the doctor go to the university where they could discuss with him matters pertaining to relations between the United States and Panama. This move was designed to embarrass the governments of both countries. Fortunately the invitation was not accepted.

The new show of force apparently had its effect. President de la Guardia went through with his chore and presented the long bill of particulars to the Yankee emissary. Among the score or more of new concessions requested were several, which if granted would mean almost complete Panamanian sovereignty over the vital waterway.

We were also asked to abandon all commercial activities in the Canal Zone, so that the 40,000 people employed there would be completely dependent upon Panamanian merchants for all their food, clothing, and everyday necessities. To make political sovereignty practically a reality, we would have to raise the Panamanian flag over the great enterprise and American officials and citizens would be forced to speak and conduct official business in Spanish instead of English.

The politicians and the Nationalists know perfectly well that they won't get these extreme concessions from us. But if we don't give them they will have De la Guardia against the wall. He will lose face. The public, the Nationalist press, the irresponsible mobs will rise up and howl him out of office.

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

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

There was no objection.

THE COAL, STEEL, MARITIME, AND OTHER TRANSPORTATION INDUSTRIES

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. BYRD] is recognized for 10 minutes.

Mr. BYRD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and to include a letter.

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

There was no objection.

Mr. BYRD. Mr. Speaker, the American economy, the source of all our bountiful foreign aid, has been struck another blow which will adversely affect the coal, steel, maritime, and other transportation industries.

John L. Lewis, president of the United Mine Workers of America, ever alert to the welfare of our vital coal industry, has made a timely protest to the State Department relative to "the practices of so-called friendly countries in utilizing United States aid dollars in exchange for Polish and Russian coal."

Mr. Lewis in a communication to Hon. Douglas Dillon, Deputy Under Secretary of State, dated July 28, directs attention to a new trade pact between Argentina and Poland whereby the former country will purchase 2 million tons of coal from the latter. As Mr. Lewis states, this transaction will displace 2 million tons of American coal from usage in the Argentine. This, of course, as the United Mine Workers' president points out, represents a severe loss to the "American mining population, the investors of the coal industry, our poverty-stricken railroads, and the free enterprise of the United States."

Mr. Lewis on June 9, 1958, had addressed a resolution by the United Mine Workers on this subject to the Secretary of State. As was stressed in the correspondence, even prior to the forwarding of the resolution, the State Department "had been familiar with the practice of so-called friendly countries in utilizing United States aid dollars in exchange for Polish and Russian coal. The barter agreement between Japan and China, for the usage of Chinese coal in the Japanese economy, is another phase of this problem."

Mr. Dillon replied in the name of the Secretary of State to the United Mine Workers resolution, and Mr. Lewis' letter of July 28 to the Department of State is the second communication of protest on this subject in 20 days.

In his latest protest, Mr. Lewis makes this point:

> It must be obvious to the State Department that Americans must sustain themselves and maintain a stable economy, if they hope to be able to satisfy the constantly increasing revenue requirements incident to the successful administration of the United States foreign policy.

Then the United Mine Workers chieftain refers to the "repetitious statements emanating from the State Department" on the subject, which he states "become meaningless when nothing is ever done." Mr. Lewis then goes on to the obvious conclusion:

> Given the will, the State Department, manifestly has the power in all its monetary or economic relationships to withhold acquiescence, when stipulations of importance to Americans are refused.

Mr. Speaker, I wish to associate myself wholeheartedly with the remarks of Mr. Lewis and to join him in his sound protests against trade and economic policies which work against the interests of so many Americans and our national economy. It is an astounding thing to me how our policymakers in the executive branch of the Government can be so blind and so insensitive to American interests in all these matters. They must think that America is a cornucopia without end, from whence will pour largesse forever. Don't they have any realization as to what they are doing when they use, or allow to be used, American-aid dollars which in turn are utilized by other countries to displace United States products and drive American products out of world markets?

Today in West Virginia we have thousands of miners who are jobless—as well as large numbers of railroad workers whose jobs have vanished because the coal tonnage is not there for shipment to market. Now we have the loss of 2 million tons of coal from the Argentine, all through the instrumentality of United States so-called aid dollars. The logical end of such policies can only be economic bankruptcy for the United States, which, while presently lavishing global aid, finds itself confronted with the painful necessity of hiking the national debt by additional billions.

One of the main objectives of international communism is to ruin the United States economy, to bleed us white. Our trade policies, in many instances, appear to be playing into the Soviets' hands. It is high time we had a reversal of the policies to which Mr. Lewis objects, policies which so many right-thinking Americans find unsound and repugnant.

I strongly urge the State Department to take affirmative action in this matter, as Mr. Lewis rightly requests and in so doing use the occasion to carefully review all trade matters and agreements emanating from the basic source of United States aid dollars.

Mr. Speaker, under unanimous consent I include Mr. Lewis' letter to the State Department at this point in the RECORD:

UNITED MINE WORKERS OF AMERICA,
Washington, D. C., July 28, 1958.

Hon. DOUGLAS DILLON,
Deputy Under Secretary of State,
Washington, D. C.

DEAR MR. SECRETARY: On June 24, 1958, you very courteously acknowledged receipt of the resolution addressed to the Secretary of State by the United Mine Workers of America, dated June 9, 1958. Previous to that time, your Department had been familiar with the practices of so-called friendly countries in utilizing United States aid dollars in exchange for Polish and Russian coal. The barter agreement between Japan and China, for the usage of Chinese coal in the Japanese economy, is another phase of this problem.

I assume we both can agree that the offshore export of American coal in volume is beneficial to the economy of our country, helpful to the communities where the product originates, furnishes employment for taxpayers, and is a source of tax revenue badly needed by the Treasury Department, and sustaining to the Department of State in the administration of the Nation's foreign policy.

Now comes the Argentine-Poland trade pact, announced last week, which will displace 2 million tons of American coal from usage in the Argentine. Need I stress the importance of this loss to the American mining population, the investors of the coal industry, our poverty-stricken railroads, and free enterprise in the United States.

It must be obvious to the State Department that Americans must sustain themselves and maintain a stable economy, if they hope to be able to satisfy the constantly increasing revenue requirements incident to the successful administration of the United States foreign policy.

Repetitious statements emanating from functionaries of the State Department, addressed to Members of Congress, representatives of the industry, and private individuals, to the effect that the Department is earnestly considering this problem, become meaningless when nothing is ever done. Given the will, the State Department manifestly, has the power in all of its monetary or economic relationships to withhold acquiescence, when stipulations of importance to Americans are refused.

With due personal deference to you, I write in a representative capacity, bespeaking the overwhelming sentiment of over a million citizens who work or dwell in mining communities, whose prosperity or distress so profoundly affects the integration of our complex and intricate domestic economy. In like fashion, I would unhesitatingly venture that my views are shared by the recognized leaders in our presently nonprosperous maritime, steel, and transportation industries.

Sincerely yours,

JOHN L. LEWIS.

SUGGESTED WORK FOR THE OVERSIGHT SUBCOMMITTEE

The SPEAKER. Under previous order of the House, the gentleman from Missouri [Mr. CURTIS] is recognized for 15 minutes.

Mr. CURTIS of Missouri. Mr. Speaker, I have just completed reading the interim report of the Committee on Interstate and Foreign Commerce captioned Subcommittee on Legislative Oversight, House Report No. 1602, wherein the subcommittee has stated at some length the objectives and purposes of its activities. I note at page 7 of this report the following statement captioned "Purposes," to wit:

To examine the execution of the laws by the administrative agencies, administering laws within the legislative jurisdiction of the committee, to see whether or not the law as the Congress intended in its enactment has been and is being carried out or whether it has been and is being repealed or revamped by those who administer it.

In outlining the various subjects that the subcommittee indicated its intention to pursue in reaching the aforementioned objectives at page 7 of said report are the following, to wit:

1. Review and analysis of the laws and amendments, and intent of the Congress when enacted.

2. Area of the field regulated by each law, changing circumstances and growth of the field since enactment.

3. Consideration of the legislative standards in the law to determine whether they can be drafted in more precise terms with the view of reducing administrative discretion.

4. Consideration of rules and regulations issued by the agency under the discretionary delegations, reconciliation with statutory standards and legislative intent, manner in which rules have been applied in practice.

5. Administrative interpretations and practices apart from formal rules and regulations, public notice of such interpretations and practices, extent to which in fact administration is by internal interpretations as distinct from published rules.

6. Judicial decisions on the administration of the law by the agency, the statutory standards, rules and regulations, and administrative interpretation; enlargement of area of regulation supported by the decisions.

7. Enforcement of statute, rules, and regulations.

8. Organization of agency:

(a) Independence and bipartisanship of Commission, as intended in its creation; identification of the regulators with the regulated;

(b) Personnel: Experience, relationship to agency policy, status under civil service;

(c) Workload, distribution of personnel as to statutory duties or on duties assumed through administrative interpretations, coordination with State and other regulatory agencies, trade, or industry enforcement groups.

A cursory review of the foregoing purposes and subjects illustrates the enormous task that lies ahead of the Special Subcommittee on Legislative Oversight. The points of inquiry are quite important and demand Congressional attention and review. The work and findings of this subcommittee can be significant and of singular importance to the Congress. I have been critical of the manner in which this subcommittee has conducted its proceedings in the past because I have felt that it has failed to adhere to House rules of procedure. This criticism did not relate to the merits of the legitimate points of inquiry presented by the aforementioned outline. I would but reaffirm my prior statements that there is a real need for a thorough review of our Federal regulatory agencies in the manner in which they are presently administering the laws.

I have taken the floor today to discuss a particular situation which has recently been brought to my attention. This case involves the Penn-Texas Co., a Pennsylvania corporation and the unsuccessful attempt of a group of its stockholders to acquire a controlling interest in the Fairbanks, Morse & Co. The transaction is an involved one and I am not in a position accurately to evaluate the charges that have been made on both sides of the controversy. A very serious charge has been made that this small group of stockholders in an effort to obtain sufficient moneys to acquire a controlling stock interest in the Fairbanks, Morse & Co. "milked" the Liberty plant at Farmingdale, Long Island, a subsidiary of Penn-Texas. This resulted in the job dislocations of a large number of workers and the economic death of a healthy growing corporation.

I mention this case because it certainly falls within the purview of the Congressional mandate issued when the Special Subcommittee on Legislative Oversight was created. This case illustrates, in bold relief, many of the questions which this subcommittee has before it for its consideration.

A cursory review of prior CONGRESSIONAL RECORDS from 1954 through 1957 will give the reader some insight into the interest evidenced by many of our colleagues on both sides of the aisle and in both Houses of Congress in the proxy fight that resulted from the Penn-Texas-Fairbanks, Morse controversy.

[From the CONGRESSIONAL RECORD]

(Date, Title, Congressman)

May 24, 1954, "Americans Unafraid," Hon. ERRETT P. SCRIVNER, Kansas, daily RECORD, pages A3794–A3795.

March 23, 1955, "Ethical Financial Practices," Hon. Thomas Dodd, Connecticut, volume 101, part 3, pages 3588–3591.

March 28, 1955, "Proposed Commission on Ethical Practices," Hon. WAYNE N. ASPINALL, Colorado, volume 101, part 3, pages 3916–3917.

March 31, 1955, "Ethical Financial Practices," Hon. Thomas Dodd, Connecticut, volume 101, part 3, pages 4152–4153.

February 17, 1956, "The Attack on Leopold D. Silberstein," Hon. WAYNE MORSE, Oregon, vol. 102, part 2, pages 2811–2813.

February 6, 1957, "The Penn-Texas Corp.," Hon. FRANCIS E. WALTER, Pennsylvania, volume 103, part 2, pages 1611–1612.

February 14, 1957, "Private Enterprise and Publicly Owned Corporations," Hon. HERMAN P. EBERHARTER, Pennsylvania, volume 103, part 2, page 2064.

March 12, 1957, "The Penn-Texas Corp.-Fairbanks, Morse & Co. Controversy," Hon. STYLES BRIDGES, New Hampshire, volume 103, part 3, pages 3481–3488.

March 19, 1957, "Effects of Leopold D. Silberstein and Penn-Texas To Gobble Up Fairbanks, Morse & Co.," Hon. B. CARROLL REECE, Tennessee, daily RECORD, pages A2236–2238.

March 20, 1957, "Control of Fairbanks, Morse Co.," Hon. LESLIE C. ARENDS, Illinois, volume 103, part 3, page 4077.

March 21, 1957, "Penn-Texas-Fairbanks, Morse Proxy Fight," Hon. B. CARROLL REECE, Tennessee, volume 103, part 3, pages 4151–4152.

March 21, 1957, "Silberstein's Penn-Texas Compromising National Security?", Hon. LEO E. ALLEN, Illinois, volume 103, part 3, pages 4188–4189.

March 21, 1957, "State of Connecticut Gets Valuable Collection," Hon. ALBERT P. MORANO, Connecticut, daily RECORD, page A2326.

March 21, 1957, "The Fairbanks, Morse-Penn-Texas Controversy," Hon. STYLES BRIDGES, New Hampshire, volume 103, part 3, pages 4108–4109.

March 25, 1957, "SEC's Power To Enjoin Proxy Fights in the Public Interest," Hon. ROBERT B. CHIPERFIELD, Illinois, volume 103, part 4, pages 4343–4344.

March 25, 1957, "The Proxy Contest Between Fairbanks, Morse & Co. and The Penn-Texas Co.," Hon. ESTES KEFAUVER, Tennessee, volume 103, part 4, pages 4281–4282.

March 25, 1957, colloquy, Hon. CLARE E. HOFFMAN, Michigan, volume 103, part 4, pages 4285–4286.

March 26, 1957, "Penn-Texas Corp. Versus Fairbanks, Morse & Co.," Hon. DANIEL J. FLOOD, Pennsylvania, volume 103, part 4, page 4448.

March 28, 1957, "Workers Have Important Stake in Proposed Reorganization of Fairbanks, Morse & Co.," Hon. Lawrence H. Smith, Wisconsin, daily RECORD, pages A2510–A2511.

April 10, 1957, "How To Become a Big-Shot Industrialist—Via Take-Over Route," Hon. FRANCIS E. DORN, New York, daily RECORD, pages A2869–2870.

It is certainly understandable that in a proxy fight involving two powerful corporations there is bound to result great political pressures as well as economic pressures. This case appears to be a classic example of this phenomena. If the committee can develop this particular issue as a phenomena and keep it out of the realm of the political arena, its findings could be quite beneficial in helping us to understand the nature and extent of the pressures that are brought to bear upon our Federal regulatory agencies.

In an investigation of this nature, I think it is absolutely essential that we understand the nature of the brute, so to speak. In other words, what is the nature and what are the functions of the SEC? In the instant case, what is the basic purpose behind the Commission's proxy rules. From this understanding we can better evaluate the rules and regulations of the Commission and determine whether or not our present laws are adequate to implement the purposes and objectives of the Commission's role in our society. It is my understanding

that the basic purpose of the Commission's proxy rules is to aid and protect public investors in securities listed on national securities exchanges in the exercise of their corporate voting rights by assuring the person soliciting those votes furnished detailed and accurate factual information about the matters to be acted upon by the security holders and about candidates for election. The statutory authority of the Commission is to regulate the solicitation of proxies. As a bipartisan, independent regulatory agency of the Government the Commission is charged with the responsibility of objectively and impartially studying the proxy material and the persons who solicit proxies for the purpose of enforcing the statutory standards of fair and accurate disclosure to investors which are clearly set forth in and are primary objectives of the Federal security laws. The question arises should the SEC be something more than an impartial umpire? Should there be more teeth in the law? Should a small group of investors have the apparently unbridled authority to upset the social and economic life of hundreds of workers for their own pecuniary gain when there has been no economic benefit accruing to the economy from their asset liquidations? It is quite possible that our Federal security laws do not provide remedies for certain abuses. I am not in a position to appraise this possibility. I do submit, however, that there is sufficient information before the Congress to merit a thorough investigation into this area to determine whether or not our Federal securities laws should be tightened up and expanded.

This particular case is also important because of its international financial involvements. It is my understanding that the Securities and Exchange Commission has had administrative difficulties in the past with respect to its proxy rules because of the unavailability to the Commission of information as to beneficial ownership of stock held of record or otherwise by foreign financial institutions. In the instant case, it appears that the Securities and Exchange Commission attempted both directly and through the State Department to obtain this information with respect to ownership by certain Swiss financial institutions but was advised that it was contrary to the Swiss penal code to reveal information concerning agency or other fiduciary relationships between the institution and others. This is a very serious matter. This veil of secrecy precludes a full disclosure. This is a matter that has troubled many of us for some time. The very legitimate question arises as to whether or not our laws should countenance this deterent to a full disclosure. It is certainly a legitimate point of inquiry for the Special Subcommittee on Legislative Oversight to look into this matter of foreign investment practices. Possibly our laws should be rewritten to preclude the unknown investor from investing in American industry. I state this possible solution only hypothetically because it is only a possibility for action. I submit, however, that we should be looking into this area to determine whether or not it is detrimental to the best interests of American industry and to our economy to continue to permit foreign investors to invest in our companies without disclosing where the beneficial ownership in the stock rests.

A thorough development of this question of international financial involvements will point up to the investigators another legitimate area of inquiry and that is pressures from the executive branch of the Government. This is certainly an area in which the State Department has a real interest. Their viewpoint has been expressed, and I dare say been felt, in the past in this and other similar cases. This would give us further insight into the question of pressures that are brought to bear upon our Federal regulatory agencies.

In conclusion I would urge the Special Subcommittee on Legislative Oversight to look into this matter. It is a case that legitimately comes within the purview of the subcommittee's avowed purposes and objectives as hereinbefore stated. In my opinion this could give the Congress real insight into the nature of the activities, the functions and the procedures of one of our very important Federal regulatory agencies, the Securities and Exchange Commission. It would give us a better understanding of the real and significant pressures that are brought to bear upon this particular agency. From the study of this particular case we can better understand how the rules and regulations of the Securities and Exchange Commission are administered. It will demonstrate the effectiveness or ineffectiveness of our present laws in several important areas and their effect on American industry and our economy. I submit that a thorough investigation of this case will redound to the benefit of our country.

Mr. Speaker, it is for this and other reasons that I have developed that I suggest the Oversight Subcommittee consider this matter, and I intend to forward this material and information to the chairman of that subcommittee.

FREIGHT-CAR REGULATIONS

Mr. COAD. 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 Iowa?

There was no objection.

Mr. COAD. Mr. Speaker, I recently introduced H. R. 13355 which is a bill to provide that the Interstate Commerce Commission shall make regulations requiring that freight and other cars be equipped with reflectors or luminous material so that they can be readily seen at night.

I introduced this bill immediately after confirming reports I had received about several tragic deaths caused by car-train accidents in my district and I will not rest easy until the provisions of this bill to further prevent the needless loss of human lives caused by car-train collisions at railroad crossings are firmly established in the law.

We must recognize the fact that increased traffic on our vast network of roadways means more highway deaths unless all reasonable precautions are taken to remove or identify the dangers and hazards which confront our millions of motorists. One such danger is the unlighted freight train in a railroad crossing at night. Once the engine has passed the crossing the dark, unlighted cars blend with the night and provide little or no warning of their presence. I realize that the railroads have gone to great expense to divert their tracks over or under busy intersections, they have built an elaborate system of gates and signals at major crossings to prevent accidents, but they cannot provide bridges or gates and signals at every single railroad crossing in the country. However, several reflectors or a strip of luminous material on the side of freight cars would reflect the headlights of an approaching car and serve as a warning and identification of the presence of a freight train in the crossing. This simple precaution would not be so burdensome to the railroads and yet it would aid our motorists in identifying unlighted trains at night.

Mr. Speaker, I urge consideration of my bill before the end of this session of the Congress, not because of any pressure or influence by any group or organization but because of my sincere belief that this simple safety measure will save human lives.

SHIPPING ACT, 1916

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3916) to amend the Shipping Act, 1916.

The Clerk read the title of the bill.

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

Mr. AVERY. Mr. Speaker, reserving the right to object, and I will not object, but I make this reservation so that the gentleman from North Carolina can explain the procedure.

Mr. BONNER. This request is being made to substitute the House bill, which was passed this afternoon in the House as in Committee of the Whole for the Senate bill with respect to dual-rate contract arrangements.

Mr. AVERY. The gentleman assures us that the Senate bill is identical to the House bill passed this afternoon, as amended?

Mr. BONNER. It is the same bill as that passed by the House with the exception of the amendment.

Mr. AVERY. I withdraw my reservation of objection, Mr. Speaker.

Mr. SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 14 of the Shipping Act, 1916, is amended by inserting at the end thereof the following: "*Provided*, That nothing in this section, or elsewhere in this act, shall be construed or applied to forbid or make unlawful any dual-rate contract arrangement in use by the members of a conference on the effective date of this amendment, which conference is organized under an agreement approved

under section 15 of this act by the regulatory body administering this act, unless and until such regulatory body disapproves, cancels, or modifies such arrangement in accordance with the standards set forth in section 15 of this act. The term 'dual rate contract arrangement' as used herein means a practice whereby a conference establishes tariffs of rates at two levels, the lower of which will be charged to merchants who agree to ship their cargoes on vessels of members of the conference only and the higher of which shall be charged to merchants who do not so agree."

SEC. 2. This act shall be effective immediately upon enactment and shall cease to be effective on and after June 30, 1960.

Mr. BONNER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BONNER: Strike out all after the enacting clause of S. 3916 and insert the provisions of H. R. 12751 as passed.

The amendment was agreed to.

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

The proceedings whereby the bill H. R. 12751 was passed were vacated and that bill laid on the table.

COMMITTEE ON THE JUDICIARY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have permission to sit during general debate tomorrow.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FOREIGN COMPETITION AND THE DOMESTIC ALUMINUM INDUSTRY

Mr. HENDERSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. HENDERSON. Mr. Speaker, in the recent debate on our Nation's trade policy, I joined with many of my colleagues in calling attention to the economic damage which is being wrought in our domestic markets by the competition of products from abroad. I believe that our foreign economic policies must be based upon a primary consideration of our domestic economic well-being. In my opinion, we have often rationalized a justification for our economic foreign policies by refusing to evaluate realistically the damage these policies are causing in the economic strength and abilities of this Nation. This can be translated into conditions of growing distress in industry after industry. In the 15th District of Ohio, which I represent here, I have had an opportunity to observe this unhappy process with growing dissatisfaction.

Soon southeastern Ohio will become one of the country's important producing areas for basic aluminum. Already, tremendous aluminum production plants have been established in the central Ohio River Valley in the States of Ohio and West Virginia. These facilities are part of an industry which is regarded as essential to the Nation's defense and were established largely because of the active role of the Federal Government in expanding the industrial mobilization base. The reasons for this Federal action can be traced to the difficulties we experienced in World War II and the Korean conflict when shortages of domestic aluminum production facilities were critical.

Today, we are witnessing distressed conditions in this industry for a combination of factors which should be, I believe, of great general concern. These factors are complex. They are related to our international trade policies as well as to the strategy of economic penetration of the Soviet Union. They demand immediate and earnest evaluation by those Federal agencies charged with responsibilities in this area. It is my hope that this problem will receive the consideration it demands. Equivocation or procrastination will only compound this situation and establish another formula whereby our major industrial productive strength can be impaired further.

The following letter from aluminum producers to the Secretary of Commerce outlines in some detail what is happening in this industry. Because of my own strong feelings about this situation, I wish to bring it to the attention of my colleagues here. The industry's letter is as follows:

JULY 24, 1958.

The Honorable SINCLAIR WEEKS,
Secretary of Commerce, United States Department of Commerce, Washington, D. C.

DEAR MR. SECRETARY: The United States aluminum industry has been one of those most seriously affected. by the recession Efforts to regain marketing and productive strength have brought into sharp focus the present and longer range implications of inequitable competition from foreign fabricators and producers.

At the invitation of the State Department, representatives of the primary aluminum industry presented a memorandum on July 14, 1958, specifically outlining the background and scope of this industry's concern and reflecting its recognition of the international aspects of the problems involved. Enclosed is a copy of that memorandum.

Of equal importance is the consideration of many aspects of the problems by the Commerce Department and those also concerned with the maintenance of sound domestic industries. Following are highlights of some of the most pertinent of these conditions as presently exist that we believe warrant your prompt consideration:

1. Nearly a third of existing domestic aluminum producing facilities are already idle. Correspondingly, a substantial part of fabricating capacities—much in the hands of small non-integrated mill product suppliers—are in only limited use. At least 20,000 workers in the industry are unemployed. In addition, there is also under construction additional primary capacity of 578,000 tons—much of it nearly completed—that will stand idle.

Most of this capacity was created in furtherance of Government mobilization expansion programs. The additions to the capacity made since the 1955 shortage were prompted in part by Government policies to assure adequate supplies for small business.

Shipments of foreign aluminum products are supplying an increasing share of current demands; thus foreign sources of supply enjoy the fruits of a developed market at the expense of permanent domestic ones.

2. There has been a marked increase in the selling efforts of foreign fabricators and producers. Expansion of facilities abroad, coupled with a leveling of international demand, has resulted in increased offerings of foreign aluminum products in many forms to the well established consuming markets in this country. These markets had been supplied by the presently idled United States manpower facilities. This is at the very time when domestic fabricators and producers need such business to sustain employment and operations.

3. The extent of foreign sales efforts and successes is not described adequately by published statistics. Government and industry data, accurate as historical information, do not provide significant clues as to the problems of foreign competition facing the domestic industry presently. The United States aluminum industry would be remiss in waiting to present its case until statistics confirm that which is common knowledge in the market place today. By that time, effective relief would be either more difficult or too late.

Domestic aluminum fabricators, distributors, and producers are losing business to importers, not only in pig and ingot, but in many fabricated products such as aluminum sheet and plate, foil, screw machine stock, rod, impact and collapsible tube slugs and drawn tube, to cite the principal ones. Some specific examples of this activity are covered in the appendix attached to this letter.

4. Unlike many other countries, the United States markets for aluminum products have been developed to a high degree, largely through the extensive marketing and technological efforts of domestic producers and fabricators. Huge sums of money and effort have been expended by them to overcome obstacles that stood in the way of volume usage in many fields. No major market development can be attributed to the like efforts of a foreign supplier.

5. The solution to industry's problems is the development of new and large volume markets. Experience has proven that this must be spearheaded by the industry itself. But market development—and the basic technological research and promotional efforts which goes into this effort—is vastly expensive. Only an economically sound industry is able to underwrite the very work that assures it and its customers of adequate utilization of their facilities.

6. Foreign suppliers appear to have little interest in the investment of capital and technological efforts to develop new United States markets for aluminum. Most of them look at the United States market as one of convenience; one where their dollar demands can be satisfied. During 1955, a period of tight aluminum supply, semi-fabricated products, as well as pig and ingot were sold by many of them at premium prices. Sales to non-United States markets were made at a greater rate of increase from previous volume patterns since apparently such other markets were more attractive to them. Thus domestic consumers of mill products and basic aluminum cannot be assured that most foreign sources will supply their needs on an uninterrupted basis.

Conversely, foreign suppliers may take advantage of the broad market developed in this country, during periods when their normal markets have declined, as is the situation presently. No prior contribution to the development of these markets had been made by most of them. As is generally the case, the heaviest imports generally occur just when domestic suppliers have the smallest amount of funds available for further

market development and when they are counting on the realization of such earlier investments to provide sorely needed sales. Thus when world and United States aluminum markets soften simultaneously, suppliers of foreign metal reap the very benefits counted on by domestic companies to help maintain employment and profitable operations.

7. The ability of foreign producers and fabricators to offer aluminum at substantially lower prices lies in the very wide disparity in wage structures between the United States and other countries. With labor accounting for 75 percent of total direct and indirect manufacturing costs in United States industry, it is the biggest element in the value of any product, including aluminum.

Productivity per man-hour in European plants is as high as here, due largely to the highly efficient new equipment installed in many instances more recently than our own. The difference in wage structure therefore reflects real, net differences in cost—beyond the control of individual United States companies.

Added cost advantages may be accrued through the purchase of Russian pig metal by European fabricators at prices reflecting "economic penetration" subsidies. Such foreign purchasers of Russian aluminum can then sell aluminum mill products at even lower prices while still retaining desired profit margins.

8. Faced with this competition, the United States aluminum industry is confronted with formidable obstacles to an alternative course of action, that of finding markets for its products abroad. High tariffs are imposed on United States aluminum products, principally by countries with major aluminum producing facilities whose desire is to maximize exports and minimize imports in an effort to obtain favorable dollar balances. Import licenses and currency controls are other devices used by such countries to keep United States aluminum products out of their own market.

In summary, the serious extent of foreign participation in negotiations for forthcoming aluminum products business from United States market is apparent. Much of this activity is not revealed by published data, since such historical information is collected after the fact and some of the more seriously affected segments of the markets are not statistically identified. This activity is, however, being keenly felt at the market place. Domestic manpower and facilities will not regain strength when the Nation's economy again moves ahead. Further business from these markets will provide growth power and economic health, not to the United States aluminum producers and fabricators which underwrite their realization, but to foreign markets that "bought" participation at a time when they could not sell their output to historically profitable and traditional consumers.

These are but a few of the numerous factors arising from foreign competition that are of the scope that cannot be coped with by the domestic industry as an economic entity. A bold, imaginative program by the Federal Government is essential, therefore, if the aluminum industry is to retain its customary first-line position of importance to the economy and defense of the Nation.

Specifically, it is recommended that negotiations be undertaken with nations which are the principal exporters to the United States to reduce the flow of all such metal entering the country to a ratio commensurate with the level of activity of the domestic industry at any given time. Negotiations with these exporting countries offer one possibility for relief from the shipments of such metal that are not being absorbed by their own traditional foreign customers. In addition, long-range goals might include effective antidumping legislation and an international program to make available surplus world aluminum to those less-developed countries in forms that will improve their mode of life. They all need it far more than the well-developed and well-served markets of the United States.

Respectfully submitted.

ALUMINUM COMPANY OF AMERICA.
ANACONDA ALUMINUM CO.
KAISER ALUMINUM & CHEMICAL CORP.
OLIN MATHIESON CHEMICAL CORP.
REVERE COPPER & BRASS, INC.
REYNOLDS METALS CO.

APPENDIX

Outlined as follows are a few case examples of the sales activities and successes of foreign metal importers in United States aluminum consuming markets. They are listed by product form.

SHEET AND PLATE PRODUCTS

Aluminum sheet and plate products, in the aggregate, represent the largest fabricated form of aluminum consumed in the United States. Such imports come mainly from Britain, Canada, West Germany, Italy, Belgium, Japan, Switzerland and France. A sheet metal equipment manufacturer has been purchasing coiled sheet from Belgium at prices ranging $0.025 to $0.03 per pound below domestic levels. A large appliance manufacturer has been using West German sheet; his takings are at about 1,200,000 pounds per year. Purchases have been made at prices $0.05 per pound below those offered by United States sheet rollers.

An important and long-established subform marketed has been sheet circles. These are used by spinners, drawers, and other metal product fabricating concerns producing such items as giftware, cooking utensils, reflectors, etc.

Metropolitan New York City is the center for most giftware manufacturing in the United States that consume aluminum. For years, the requirements of this market have been supplied by warehouses, nonintegrated fabricators and primary producers with sheet circle fabricating facilities. The warehouses stock many sizes for quick delivery of small quantities, principally to numerous small manufacturers.

The president of one such warehouse recently testified that: " * * * we used to sell about 150,000 pounds of aluminum circles per month. Now, because of imported metal, we are happy if we can sell 20,000 pounds. Importers are selling the metal they bring in for as much as 10 cents per pound less than I can sell it for * * *."

Another warehouse in this same area reports it can purchase Italian aluminum sheet circles for prices ranging from 13 percent to 16 percent below domestic prices.

In short, here is a market and a specific product form formerly supplied by the domestic industry which has, for all practical purposes, been taken over by foreign aluminum fabricators. This product form is coming not only from Italy, but from West Germany, Belgium and Canada. Cooking utensil manufacturers located near the St. Lawrence Seaway are already negotiating for foreign metal in large quantities.

FOIL

Another product experiencing a sharp increase in import is aluminum foil. For many years, some foil has been imported, largely for candy wrappings and miscellaneous use where limited widths could adequately be supplied by foreign mills. More recently, foreign rollers have been exporting condenser foil for use by the United States electrical capacitor industry. New high speed equipment installed abroad now also makes possible the importation and the strong invasion of the converter and laminating fields which long have produced packaging lines. Much additional United States foil capacity has been installed in anticipation of participation in the results of this market's development.

A successful foil converter and laminator—long a customer of domestic aluminum foil producers—now reports that he can no longer afford to do business with American foil rollers. He has received West German foil of adequate quality supplied at prices $0.1125 per pound under lowest ones quoted by domestic rollers. At the present time, he is in Europe negotiating for a full year's requirements. Another large foil laminator is presently buying from 60,000 to 100,000 pounds per month from Switzerland, West Germany and Italy at prices ranging from $0.14 per pound under domestic prices delivered.

Large quantities of aluminum foil have recently been supplied to electrical and electronic device manufacturers. A third of one such company's business has been from foreign sources and amounts to 40,000 pounds a month—a relatively large volume of this metal that runs only 0.00035-inch thick.

The domestic aluminum foil rolling industry, much of which is made up of nonintegrated fabricators, is already faced with idle facilities and manpower. Thus, many of the markets for this growing product that were developed by funds and efforts of aluminum foil producers, are now being enjoyed by opportunistic foreign suppliers. The prices being quoted reflect their substantially lower labor costs and the additional savings in marketing, development and promotional expenses which are not required in the exploitation of a market long established.

CIGAR TUBES

Another case in point is the market for aluminum cigar tubes. For years, the United States impact tube industry has supplied aluminum cigar tubes to quality cigar manufacturers at the rate of about 7,500,000 units per year. Domestic selling prices ranged about $28 per thousand pieces. In the past several years, Italian, French, and German tubes have been imported at prices in excess of 20 percent below the domestic levels, after payment of duties on such a finished item. At the present time, this market is almost completely supplied by foreign sources. It is an example of a United States market and product line that has been lost to foreign suppliers.

SCREW MACHINE STOCK (ROD)

Still another industrial aluminum product form presently being supplied in increasing quantities by foreign sources is screw machine rod. Developed in this country after World War I, this product has been improved to the point where it has made substantial headway in use by parts manufacturers, particularly in the electronic, electrical, and consumer durable goods markets. No reliable data on imports of this rod product are available. Industry sources estimate that millions of pounds of West German, Swiss, and Belgian sources are being sold annually in the New York City areas alone at prices ranging from 6 cents to 10 cents below domestic ones. Quantities are now beginning to find their way into large captive screw machine operations in the Great Lakes areas. Responsible industry spokesmen suggest that from one-third to one-half of this product to be consumed annually will come from other than domestic sources, at the present rate, by the early part of next year.

NATIONAL DEBT LIMIT INCREASE INFLATIONARY WITHOUT PLAN TO PAY IT

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 am inserting herewith my testimony before the Ways and Means Committee this morning on the proposal to increase the national debt limit. It is as follows:

H. R. 13580 AND 13581, IDENTICAL BILLS, TO INCREASE THE PUBLIC DEBT LIMIT

Mr. Chairman, my name is WRIGHT PATMAN, and I represent the First Congressional District of Texas. I have been serving in Congress since 1928. I am a member of the Joint Economic Committee, the Small Business Committee, and the Banking and Currency Committee.

I thank the committee for its courtesy in hearing me.

The committee is considering the President's request for authority to increase the temporary Federal debt from $280 billion to $288 billion, and to increase the permanent debt ceiling from $275 billion to $285 billion.

Why is the committee giving such serious consideration to this proposal to put the Federal Government further into debt?

Obviously, the answer is that the committee believes that increasing the Federal debt may have important effects on the American people, on the functioning of our ecoonmic system and on the value of the dollar.

I respectfully suggest, however, that the way the proposal is put before you, you cannot make a sound estimate of what its effects will be. You are in the position of a man who is handed a gun without a safety catch.

Many different methods can be used for increasing the national debt, and the effects of the increase will depend upon what methods are used.

Increasing the Federal debt by even the best methods is, of course, a serious thing. It is debt any way you look at it, and whatever amount is outstanding creates an interest burden on which all of the taxpayers must pay, although a relatively few taxpayers reap substantially all of the benefits of these interest payments.

As a nation, we have been repeatedly remiss in our duty to follow methods which would keep the debt down, and remiss in our duty to pay off some of this debt in periods of great prosperity.

The peak debt of World War II was reached in February 1946, when it reached $279 billion. Much of that could have been avoided. Substantial reductions were made following World War II, but with the Korean hostilities it rose again and was back up to $259 billion at the end of fiscal 1952. In the prosperous years that followed, it was allowed to rise to $281 billion by the end of 1955, and it is approximately at that figure now.

The purpose of my appearance is not to oppose the authority asked for, but to oppose the granting of such authority without safeguards against using this authority in imprudent ways which will have unnecessarily bad effects. In my opinion, unless the committee adds some needed specifications and limitations into the bill, this increase in the Federal debt will have enormously bad effects.

It will be enormously inflationary.

It will add huge and unnecessary interest burdens on the taxpayers.

It will bring about conditions which make it unlikely that any substantial amount of the debt will be paid off in the future, and thus unlikely that the taxpayers will ever be relieved of the tremendous interest burden they already carry.

I respectfully ask, therefore, that the committee give most serious consideration to putting four specifications and limitations in the bill, as follows:

1. Require that the securities issued under the increased debt authority be sold insofar as possible to individuals, corporations, and to savings-type institutions; and that the portion which can be sold only by the creation of new money be sold to the Federal Reserve rather than to the commercial banks.

Now, the reasons for this are quite simple:

To the extent that additional securities are purchased by individuals, by corporations, and by savings-type institutions, there will be little inflationary effect.

By savings-type institutions we mean, of course, the savings banks, the savings and loan associations, the credit unions, the life insurance companies, and other such organizations which, unlike the commercial banks, do not create money.

The first objective should, therefore, be to finance all of the new debt it is possible to finance out of savings—both corporate and personal. To the extent that the new securities can be absorbed out of savings, the effect will at least not devalue the dollar, although this will increase the interest burden on the taxpayers, too.

Selling the new securities either to the Federal Reserve System or to the private commercial banks will mean that the purchasers will create the money with which to buy the securities. In either case, the result will be inflationary, but there is at least one important difference. The interest payments made to the Federal Reserve will automatically come back to the Treasury, which will help to keep the debt down.

What sense is there in allowing the private commercial banks to create the money to buy Government securities, and burdening the taxpayers with interest charges on that money? The commercial banks perform no necessary service whatever in buying Government securities. They perform no service in creating money, on the credit of the Nation, which the Government cannot perform for itself without burdening the taxpayers with interest charges.

To avoid any misunderstanding, let me state, as I have many times before, I am not unfriendly to the private banks. The fact is, however, that the private banks are the most prosperous segment of our economy today; they do not need more Government subsidies at the expense of the taxpayers. So it seems to me idiotic for the Government to pay these banks to create money to purchase Government securities. The Government can do this for itself, and for the good and justifiable purpose of keeping the debt down.

2. Prohibit the Treasury from leaving any of its funds on deposit with the private banks.

The recent practice of the Treasury is to keep funds on deposit with the private banks in amounts ranging from $3 billion to $6 billion during the year. Its daily average deposits with the private banks throughout the year runs to about $3½ billion. The taxpayers are paying interest on this $3½ billion, while the Treasury is lending it out, interest-free, to the private banks. What do the banks do with these funds? They lend them out and draw interest on them. So the taxpayers are paying interest on $3½ billion of debt which benefits only the private banks, and on which the banks are making a profit.

When the Treasury leaves its funds on deposit with the private banks, there are two bad effects:

(1) The effect is inflationary; by leaving its funds in the private banks, instead of calling them in the Federal Reserve Banks, it is adding to the money supply.

(2) The taxpayers are paying interest on money which is idle, insofar as the Treasury is concerned. The money could be used by the Treasury to buy in some of its own short-term obligations, and thus save the interest on these obligations.

As has been pointed out many times, the Treasury is in no position to use funds left on deposit with the private banks. The Treasury must first call these funds into the Federal Reserve banks before it can write checks on them to pay its bills. Keeping the funds in the private banks is no convenience to the Treasury. Obviously, if the Treasury can maintain an average balance of $3½ billion in deposits with the private banks, then the Federal debt is $3½ billion higher than it need be.

3. Require that all securities sold by the Treasury be sold on competitive bid.

The reason for this is also self-evident.

The Treasury is now selling certain of its securities on competitive bid, and it has an established machinery for this. Each week it sells between a billion and two billion dollars of 91-day bills on the regular Monday bill auction. This auction method leaves no question about what money market rates are, and no guessing about what interest rate must be offered in order to sell the securities. After the Treasury receives all the bids, it knows how much has been bid for and at what prices, and it then decides what the highest price is it will pay for the hire of the money.

But in contrast, the Treasury issues the greater proportion of its securities at fixed and predetermined interest rates. In deciding what arbitrary rates it will fix on these securities, the Treasury leans heavily on the advice which it solicits from the big bond dealers and other big purchasers of Government securities. Based on the advice of interested parties, the Treasury officials then make a guess at what the interest rate should be. What they are guessing at, presumably, is the lowest interest rate which they can fix on the securities in order to sell them. There is some doubt whether all of the Treasury's guesses in recent years were intended to be low, or intended to help bring about a general increase in interest rates.

In any case, the record shows that beginning in February of 1953 the Treasury has engaged in repeated "giveaways." Time after time it has fixed rates so high on new securities that the securities were immediately reselling in the open market at prices higher than the Treasury got for them.

As I see it, the Treasury has all to lose and nothing to gain by guessing what the market is. When it guesses too high, it burdens the taxpayers with unnecessary interest charges. But when it guesses too low, there is no offset; it does not sell the securities, and so has to guess again.

So issuing securities at fixed prices and at fixed interest rates is one more factor which makes the Federal debt higher than it needs be, and one more factor which diverts the taxpayers' money to meet unnecessary interest charges, rather than going to pay off some of the debt.

4. Set a fixed percentage by which the Federal debt is to be reduced each year.

For some years now, the debt ceiling has been fixed by law. There have been many times when the ceiling had to be raised, of course. But we still have a ceiling and go through the process of raising it only after a specific review of the conditions which require raising it, on the theory that this tends to hold the debt in check. There is no other reason for having a ceiling. If this procedure does not serve to check unjustified increases in the debt, then the procedure is not only worthless to its purpose, it also involves a waste of time and effort. Few of us doubt that having a ceiling fixed by law does help to keep the debt in check.

But this procedure is one-sided. If it is a good procedure for helping to keep the debt from going up, then it should be an equally good procedure for helping to bring the debt

down. A fixed schedule for reducing the debt would, in my opinion, help to assure that reductions are made in those periods when reductions reasonably could be made.

Certainly, we have got to do something to stop this process of meeting each emergency by piling new debt on the peak of the previous emergency. And the procedure I suggest is at least worth a try.

Furthermore, this seems as good a time as any for the committee to write into the law a definite schedule for paying off the Federal debt. I would suggest a target of 2 percent per year. There will, of course, be times when no reduction can be made, and an exception to the schedule will be asked for and granted. But at other times such deficiencies should be made up.

As the committee knows, at the beginning of each year the President submits to Congress his economic report which sets out the Nation's economic budget for the year ahead. At about the same time the Treasury submits a budget which is drawn up in light of the President's economic budget. The Joint Economic Committee then makes a careful review of these budgets and then tries to inform the whole Congress what the range of economic policies are that can be adopted consistently with the President's economic budget and with the broad objectives set out in the Employment Act of 1946.

There should then be a definite requirement to review the possibility of reducing the Federal debt at this time, along with the review of the other elements in the economic budget. And there should be a definite requirement for a fixed reduction within the year ahead which can be amended only by a specific request and with persuasive reason for amending the requirement.

Now to summarize. The suggestions which I have made are, of course, not new to this distinguished committee.

In February of 1943, the committee was then holding hearings on one of the first debt-increase bills necessitated by World War II. The first year of World War II had then just ended. The committee was good enough to hear me on that bill, and I then urged the main suggestions I am making today.

I urged, first, that the money needed to finance the war be raised to the fullest possible extent through taxes. And second, I urged that to the extent that it was necessary to issue interest-bearing debt, this should all be financed from savings, and none with bank-created money. In fact, I proposed that if it did prove necessary to use any bank-created money, then a non-interest-bearing security be issued to secure any money borrowed either from the commercial banks or from the Federal Reserve banks. That was a long time ago, and I ask the committee's indulgence for quoting from my testimony of February 13, 1943, as follows:

"The plan proposed will retire a definite amount of the debt each year, thereby reducing annually any inflationary condition that has been brought about because of the war, and more effectively retard inflation than the present system.

"Inflation is our greatest danger."

* * * * *

"In this emergency it is necessary that we sell all the interest-bearing bonds that we can to the public, including corporations who have the money to buy them. This is necessary to retard inflation and it is very helpful to that end. I favor the levying and collection of all the taxes it is possible for the people to pay in order to reduce the national debt as much as possible each year. After the Government has collected all the taxes it can collect and has sold all the bonds to the public that can be sold, there will remain 50 percent or more of the funds to be raised which must be obtained from the Federal Reserve banks or the privately owned 14,000 commercial banks of the country, that accept deposits, or from both.

"It is this money that must be obtained from the Federal Reserve banks and the commercial banks that I insist can be secured by the Government without an annual interest charge." (Hearings before the Committee on Ways and Means, House of Representatives, on Debt Limit of the United States, Jan. 29 and Feb. 14, 1943, 78th Cong., 1st sess., pp. 36 and 39.)

In the calendar year then just completed—1942—we paid interest charges of $1.5 billion for carrying the Federal debt then in existence. The Federal debt had recently risen to a high of $108 billion; and the bill then before the committee was one to increase it to $122 billion.

Last year, 17 years later, the interest charges on the Federal debt had jumped to $7.6 billion. The debt is now approximately $280 billion.

In the meanwhile commercial banks have acquired huge amounts of Federal securities, and the inflation which seeemed to me to be our greatest danger in 1943 has greatly undermined the value of the dollar.

Again, 6 months ago, on January 17 of this year, this distinguished committee was again considering a bill to make what was called a "temporary" increase in the debt ceiling, amounting to $5 billion. At that time, the committee was good enough to hear me make these same suggestions again. I pointed out, for example, that if that $5 billion of new securities were purchased by the Federal Reserve, the interest savings to the Government would amount to $163 million a year.

I appreciate that the committee in its wisdom did not adopt these suggestions, but may I call attention to some of the events which have taken place since that time.

Since January of this year, the Federal Reserve has reduced required reserves of member banks sufficiently to allow those banks to create, free of charge, $9 billion of new money. And these banks have increased their holdings of Federal securities enormously. Since the end of January the weekly reporting member banks of the Federal Reserve System alone have increased their holdings of Federal securities by $6 billion.

Yet the Federal Reserve had in its surplus reserve account at the beginning of this year some $800 million. These funds were idle and unused then; and they are idle and unused now. And there is no conceivable need which could arise in the Federal Reserve System for these idle and unused funds. This money should be used now to pay on our huge national debt.

And it may be of incidental interest that even in this period of recession with between 5 and 6 million unemployed the consumer price index has continued to advance and was still advancing as of the last report we had.

I appreciate the committee's extreme courtesy in hearing and listening to these suggestions from me again. I do hope that the committee will again give serious consideration to them.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. RODINO (at the request of Mr. ADDONIZIO), for the balance of the week, on account of illness in family.

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. WILSON of Indiana, for 20 minutes, today.

Mr. CURTIS of Missouri, for 15 minutes today.

Mr. FLOOD, for 15 minutes, today.

Mr. BYRD, for 10 minutes, today.

Mr. ZELENKO, to transfer the special order granted him for today to Wednesday, August 6.

Mr. HENDERSON, for 15 minutes, today.

Mr. HOFFMAN, for 15 minutes, today.

Mrs. ROGERS of Massachusetts, for 10 minutes, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. PATMAN to extend his remarks in the RECORD following the legislative proceedings today and tomorrow and to include extraneous matter.

Mr. MARTIN and to include extraneous matter.

Mr. HENDERSON in three instances and to include extraneous matter.

Mr. KNOX.

Mr. VURSELL in three instances and to include extraneous matter.

Mr. DENNISON and to include extraneous matter.

Mr. GWINN (at the request of Mr. REES of Kansas) and to include extraneous matter.

Mr. REED in five instances and to include extraneous matter.

Mr. ALGER.

(At the request of Mr. ALBERT, the following and to include extraneous matter:)

Mr. ANFUSO.

Mr. EVERETT.

Mr. ABBITT in two instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2989. An act for the relief of Salvador Miranda; to the Committee on the Judiciary.

S. 4100. An act to provide for the increased use of agricultural products for industrial purposes; to the Committee on Agriculture.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 855. An act to designate the dam being constructed in connection with the Eagle Gorge Reservoir project on the Green River, Wash., as the "Howard A. Hanson Dam";

H. R. 1298. An act for the relief of Vincent N. Caldes;

H. R. 1331. An act for the relief of Sadie Lobe;

H. R. 1376. An act for the relief of Bernard L. Phipps;

H. R. 1574. An act for the relief of Albert Hyrapiet;

H. R. 1772. An act for the relief of Sigfried Olsen Shipping Co.;

H. R. 1884. An act for the relief of Jack Carpenter;

H. R. 1885. An act for the relief of Edwin Matusiak;

H. R. 2083. An act for the relief of Carl A. Willson;

H. R. 2647. An act for the relief of D. S. and Elizabeth Laney;

H. R. 2677. An act for the relief of former Staff Sgt. Edward R. Stouffer;

H. R. 3513. An act to amend title 10, United States Code, relating to the entitlement to reenlistment under certain circumstances of certain former officers;

H. R. 4535. An act for the relief of Ernest C. St. Onge;

H. R. 5062. An act for the relief of Albert H. Ruppar;

H. R. 5219. An act to provide tax relief to the Heavy and General Laborers' Local Unions 472 and 172 of New Jersey pension fund and the contributors thereto;

H. R. 5441. An act for the relief of Scott Berry;

H. R. 5855. An act for the relief of Manuel Mello;

H. R. 5922. An act for the relief of William Lavallo;

H. R. 6405. An act for the relief of Arnie W. Lohman;

H. R. 6492. An act for the relief of Maj. Harold J. O'Connell;

H. R. 6530. An act for the relief of Arthur L. Bornstein;

H. R. 7140. An act to amend title 10, United States Code, to authorize a registrar at the United States Military Academy and the United States Air Force Academy, and for other purposes;

H. R. 7177. An act for the relief of Edward J. Bolger;

H. R. 7941. An act for the relief of Mrs. Harry B. Kesler;

H. R. 7944. An act for the relief of the Spera Construction Co.;

H. R. 8015. An act for the relief of the Harmo Tire & Rubber Corp.;

H. R. 8147. An act for the relief of Kenneth W. Lenghart;

H. R. 9015. An act for the relief of William V. Dobbins;

H. R. 11378. An act to amend Public Laws 815 and 874, 81st Congress, to make permanent the programs providing financial assistance in the construction and operation of schools in areas affected by Federal activities, insofar as such programs relate to children of persons who reside and work on Federal property, to extend such programs until June 30, 1961, insofar as such programs relate to other children, and to make certain other changes in such laws;

H. R. 11574. An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes;

H. R. 11874. An act to record the lawful admission for permanent residence of certain aliens who entered the United States prior to June 28, 1940.

H. R. 12617. An act to amend sections 2 and 3 of the act of May 19, 1947 (ch. 80, 61 Stat. 102) as amended, relating to the trust funds of the Shoshone and Arapahoe Tribes, and for other purposes; and

H. J. Res. 672. Joint resolution amending a joint resolution making temporary appropriations for the fiscal year 1959, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 488. An act for the relief of Eva S. Winder;

S. 616. An act for the relief of Blanca G. Hildalgo;

S. 1879. An act for the relief of Casey Jimenez;

S. 1987. An act for the relief of Richard K. Lim and Margaret K. Lim;

S. 2511. An act for the relief of Maria Garcia Aliaga;

S. 2691. An act for the relief of Hiroko Ozaki;

S. 2860. An act for the relief of Miss Susana Magalona;

S. 2933. An act to extend the life of the Alaska International Rail and Highway Commission and to increase its authorization;

S. 3007. An act for the relief of Katina Leckas and Argery Leckas;

S. 3053. An act to authorize the Secretary of the Army to convey certain real property at Demopolis lock and dam project, Alabama, to the heirs of the former owner;

S. 3060. An act for the relief of Romulo A. Manriquez;

S. 3129. An act for the relief of Natividade Agrela Dos Santos;

3136. An act for the relief of Fouad (Fred) Kassis;

S. 3186. An act to extend for one year certain programs established under the Domestic Tungsten, Asbestos, Fluorspar, and Columbium-Tantalum Production and Purchase Act of 1956;

S. 3557. An act to amend the International Claims Settlement Act of 1949, as amended (64 Stat. 12); and

S. 4165. An act to amend the Atomic Energy Act of 1954, as amended.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 6824. An act for the relief of the family of Joseph A. Morgan;

H. R. 7241. An act to amend section 6 of the act of March 3, 1921 (41 Stat. 1355), entitled "An act providing for the allotment of lands within the Fort Belknap Indian Reservation, Montana, and for other purposes";

H. R. 7267. An act for the relief of Charles J. Jennings;

H. R. 7375. An act for the relief of Edward J. Doyle and Mrs. Edward J. (Billie M.) Doyle;

H. R. 7576. An act to further amend the Federal Civil Defense Act of 1950, as amended, and for other purposes;

H. R. 7660. An act for the relief of Dan Hill;

H. R. 7681. An act to authorize the Secretary of the Interior to convey certain land with the improvements located thereon to the Lummi Indian Tribe for the use and benefit of the Lummi Tribe;

H. R. 7684. An act to provide that the Secretary of the Navy shall transfer to David J. Carlson and Gerald J. Geyer certain interests of the United States in an invention;

H. R. 7734. An act to exempt certain teachers in the Canal Zone public schools from prohibitions against the holding of dual offices and the receipt of double salaries;

H. R. 8252. An act to amend section 3237 of title 18 of the United States Code to define the place at which certain offenses against the income tax laws take place;

H. R. 8282. An act for the relief of James E. Driscoll;

H. R. 8444. An act for the relief of Lloyd Lucero;

H. R. 8645. An act to amend section 9, subsection (d), of the Reclamation Project Act of 1939, and for other related purposes;

H. R. 8875. An act for relief of Mr. and Mrs. George Holden;

H. R. 9139. An act to amend the law with respect to civil and criminal jurisdiction over Indian country in Alaska;

H. R. 9181. An act for the relief of Herbert H. Howell;

H. R. 9222. An act for the relief of Dr. Edgar Scott;

H. R. 9397. An act for the relief of William T. Manning Co., Inc., of Fall River, Mass.;

H. R. 9885. An act for the relief of Frank A. Gyescek;

H. R. 10142. An act for the relief of Hugh Lee Fant;

H. R. 10260. An act for the relief of Natale H. Bellocchi and Oscar R. Edmondson;

H. R. 10426. An act to provide that the Federal-Aid Highway Act of 1956 (Public Law 627, 84th Cong., 2d sess., ch. 462) shall be amended to increase the period in which actual construction shall commence on rights-of-way acquired in anticipation of such construction from 5 years to 7 years following the fiscal year in which such request is made;

H. R. 11305. An act to authorize the appropriation of funds to finance the 1961 meeting of the Permanent International Association of Navigation Congresses;

H. R. 11549. An act to provide for the preparation of a proposed revision of the Canal Zone Code, together with appropriate ancillary material;

H. R. 12293. An act to establish the Hudson-Champlain Celebration Commission, and for other purposes; and

H. R. 13209. An act to provide for adjustments in the lands or interests therein acquired for the Albeni Falls Reservoir project, Idaho, by the reconveyance of certain lands or interests therein to the former owners thereof.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 47 minutes p. m.), under its previous order, the House adjourned until tomorow, Thursday, July 31, 1958, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2180. A letter from the Administrator, General Services Administration, transmitting a notice of a proposed disposition of approximately 13,860,000 ounces of quinine now held in the national stockpile, pursuant to section 3 (e) of the Strategic and Critical Materials Stockpiling Act (53 Stat. 811), as amended (50 U. S. C. 98b (e)); to the Committee on Armed Services.

2181. A letter from the Administrative Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to permit variation of the 40-hour workweek of Federal employees for educational purposes"; to the Committee on Post Office and Civil Service.

2182. A letter from the Comptroller General of the United States, transmitting a report on the review of activities of the Supply Department, Naval Air Station, North Island, San Diego, Calif., pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

2183. A letter from the Director, National Advisory Committee for Aeronautics, transmitting a draft of proposed legislation entitled "A bill to authorize appropriations to the National Aeronautics and Space Administration for construction and other purposes"; to the Select Committee on Astronautics and Space Exploration.

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. COOLEY: Committee on Agriculture. S. 479. An act to convey right-of-way to Eagle Creek Inter-Community Water Supply Association; without amendment (Rept. No. 2305). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. S. 1245. An act to provide a right-of-way to the city of Alamogordo, a municipal corporation of the State of New Mexico; without amendment (Rept. No. 2306). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. S. 3439. An act providing for the reconveyance to Salt Lake City, Utah, of the Forest Service fire warehouse lot in that city; without amendment (Rept. No. 2307). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 8481. A bill to amend title IV of the Agricultural Act of 1956 to provide that the provisions of such title shall apply in Hawaii; without amendment (Rept. No. 2308). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 11056. A bill to amend section 8e of the Agricultural Adjustment Act (of 1933), as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, so as to provide for the extension of the restrictions on imported commodities imposed by such section to all imported limes, grapefruit, lemons, mandarines, all types of oranges including temples, tangerines, murcotts, and tangeloes, dried figs, fig paste, sliced dried figs, shelled walnuts, dates with pits, dates with pits removed, and products made entirely of dates; without amendment (Rept. No. 2309). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 13257. A bill to authorize the Secretary of Agriculture to exchange lands comprising the Pleasant Grove Administration Site, Uinta National Forest, Utah, and for other purposes; without amendment (Rept. No. 2310). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. S. 166. An act to amend the laws granting education and training benefits to certain veterans so as to extend, with respect to certain individuals, the period during which such benefits may be offered; with amendment (Rept. No. 2311). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. S. 1698. An act to amend the Veterans' Readjustment Assistance Act of 1952, to extend the time for filing claims for mustering-out payments; without amendment (Rept. No. 2312). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 13014. A bill to amend the Servicemen's Readjustment Act of 1944 to provide additional funds for direct loans; to remove certain requirements with respect to the rate of interest on guaranteed loans; and for other purposes; without amendment (Rept. No. 2313). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 13559. A bill to amend the War Orphans' Educational Assistance Act of 1956 to authorize the enrollment of a handicapped eligible person in a specialized course of vocational training; without amendment (Rept. No. 2314). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H. R. 12876. A bill to extend title VII of the Public Health Service Act (relating to health research facilities) for 5 years, and for other purposes; with amendment (Rept. No. 2315). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H. R. 13153. A bill to amend title XI of the Merchant Marine Act, 1936, relating to Federal ship mortgage insurance, in order to include floating drydocks under the definition of the term "vessel" in such title; with amendment (Rept. No. 2316). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 13268. A bill authorizing Commodity Credit Corporation to purchase flour and cornmeal and donating same for certain domestic and foreign purposes; without amendment (Rept. No. 2317). Referred to the Committee of the Whole House on the State of the Union.

Mr. CELLER: Committee on the Judiciary. H. R. 13601. A bill to revise, codify, and enact into law, title 39 of the United States Code, entitled "The Postal Service"; without amendment (Rept. No. 2318). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 10028. A bill to amend title II of the Veterans' Benefits Act to limit the closing or transfer of functions or activities of Veterans' Administration regional offices, or hospitals, homes, or centers; with amendment (Rept. No. 2319). Referred to the Committee of the Whole House on the State of the Union.

Mrs. PFOST: Committee on Interior and Insular Affairs. S. 1748. An act to add certain lands located in Idaho and Wyoming to the Caribou and Targhee National Forests; with amendment (Rept. No. 2320). Referred to the Committee of the Whole House on the State of the Union.

Mr. FORRESTER: Committee on the Judiciary. Senate Concurrent Resolution 52. Concurrent resolution extending greetings to the citizens of Nevada concerning the celebration of the centennial of the discovery of silver in the United States; with amendment (Rept. No. 2321). Referred to the House Calendar.

Mr. FORRESTER: Committee on the Judiciary. H. R. 6333. A bill to authorize the incorporation of the Congressional Medal of Honor Society of the United States of America; without amendment (Rept. No. 2322). Referred to the House Calendar.

Mr. FORRESTER: Committee on the Judiciary. H. R. 13518. A bill to incorporate the Blinded Veterans Association; without amendment (Rept. No. 2323). Referred to the House Calendar.

Mrs. PFOST: Committee on Interior and Insular Affairs. S. 359. An act to permit desert land entries on disconnected tracts of lands which, in the case of any one entryman, form a compact unit and do not exceed in the aggregate 320 acres; with amendment (Rept. No. 2324). Referred to the Committee of the Whole House on the State of the Union.

Mr. RABAUT: Committee of conference. H. R. 12948. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1959, and for other purposes; without amendment (Rept. No. 2325). Ordered to be printed.

Mrs. PFOST: Committee on Interior and Insular Affairs. H. R. 5104. A bill to preserve Gloria Dei (Old Swedes') Church national historic site by authorizing the acquisition of abutting properties, and for other purposes; without amendment (Rept. No. 2326). Referred to the Committee of the Whole House on the State of the Union.

Mrs. PFOST: Committee on Interior and Insular Affairs. H. R. 7403. A bill to authorize the Secretary of the Interior to acquire certain land for the Deshler-Morris House, Independence National Historical Park; without amendment (Rept. No. 2327). Referred to the Committee of the Whole House on the State of the Union.

Mr. MADDEN: Committee on Rules. H. Res. 657. Resolution for consideration of H. R. 13507. A bill to provide for reporting and disclosure of employee welfare and pension benefit plans; without amendment (Rept. No. 2328). Referred to the House Calendar.

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. S. 4036. An act to stabilize production of copper, lead, zinc, acid-grade fluorspar, and tungsten from domestic mines; with amendment (Rept. No. 2329). Referred to the Committee of the Whole House on the State of the Union.

Mr. McCARTHY: Committee on Ways and Means. H. R. 5551. A bill to exclude from taxable income taxes imposed upon employees under the social security, railroad retirement, and civil service retirement systems; with amendment (Rept. No. 2330). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER:

H. R. 13601. A bill to revise, codify, and enact into law, title 39 of the United States Code, entitled "The Postal Service"; to the Committee on the Judiciary.

By Mr. BLATNIK:

H. R. 13602. A bill to protect the users of tobacco products from misleading advertising; to the Committee on Interstate and Foreign Commerce.

By Mr. BYRNE of Illinois:

H. R. 13603. A bill to authorize the coinage of special 50-cent pieces in honor of the war dead of America; to the Committee on Banking and Currency.

H. R. 13604. A bill to authorize the coinage of special 50-cent pieces in honor of the U. S. S. *Arizona;* to the Committee on Banking and Currency.

By Mr. DIXON:

H. R. 13605. A bill to provide for further research relating to new and improved uses which offer expanding markets for farm and forest products, and for other purposes; to the Committee on Agriculture.

By Mr. ENGLE:

H. R. 13606. A bill to amend the Immigration and Nationality Act to accord Korean war veterans equal naturalization privileges; to the Committee on the Judiciary.

By Mr. FLOOD:

H. R. 13607. A bill to amend section 164 of the Internal Revenue Code of 1954 to provide that, for a 1-year period, consumers may deduct for Federal income tax purposes amounts paid which are attributable to Federal manufacturers and retailers excise taxes; to the Committee on Ways and Means.

By Mrs. KNUTSON:

H. R. 13608. A bill to amend the Soil Bank Act to permit harvesting crops from reserve acreage for use as fodder in certain emergency situations; to the Committee on Agriculture.

By Mr. McMILLAN:

H. R. 13609. A bill to amend the act entitled "An act to regulate the placing of children in family homes, and for other purposes," approved April 22, 1944, as amended; to the Committee on the District of Columbia.

By Mr. MACDONALD:

H. R. 13610. A bill to assist the States and Territories in extending and improving their program of fitness through health and safety education, physical education, and recreation instruction for children of school age in order to provide a larger reservoir of persons fit to meet such national manpower requirements as defense, and for other purposes; to the Committee on Education and Labor.

By Mr. RABAUT:

H. R. 13611. A bill to provide for the acquisition of a site or sites for a Federal building or buildings in Detroit, Mich.; to the Committee on Public Works.

By Mr. WESTLAND:

H. R. 13612. A bill to provide for the payment of bounties on dogfish sharks to control the depredations of this species on the fisheries of the Pacific coast; to the Committee on Merchant Marine and Fisheries.

By Mr. TOLLEFSON:

H. R. 13613. A bill to provide for the payment of bounties on dogfish sharks to control the depredations of this species on the fisheries of the Pacific coast; to the Committee on Merchant Marine and Fisheries.

By Mr. YATES:

H. R. 13614. A bill to authorize certain activities by the Armed Forces in support of the III Pan American Games, and for other purposes; to the Committee on Armed Services.

By Mr. MADDEN:

H. R. 13615. A bill appropriating moneys for the survey of the Little Calumet River, Ill. and Ind.; to the Committee on Appropriations.

By Mr. RHODES of Arizona:

H. R. 13616. A bill to provide a minimum initial program of tax relief for small business and for persons engaged in small business; to the Committee on Ways and Means.

By Mr. HAYS of Ohio:

H. Res. 654. Resolution authorizing each Representative, Delegate, and Resident Commissioner to appoint an additional employee, and for other purposes; to the Committee on House Administration.

By Mr. KILGORE:

H. Res. 655. Resolution authorizing the printing of additional copies of Senate Document 111, entitled "Water Developments and Potentialities"; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BURNS of Hawaii:

H. R. 13617. A bill for the relief of Takaichi Miyamoto and Misayo Miyamoto; to the Committee on the Judiciary.

By Mr. O'KONSKI:

H. R. 13618. A bill for the relief of Marie Fidao; 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:

717. By Mr. ADAIR: Petition of 4th District of Indiana, National Association of Postmasters of the United States, relative to requesting the Congress to enact legislation to stop the flow of obscene matter through the United States mails; to the Committee on Post Office and Civil Service.

718. By Mr. HOSMER: Petition of certain residents of the 18th Congressional District of California, who request enactment of an amendment to the Constitution to prohibit Congress from levying taxes on individual incomes, inheritances, and estates; to the Committee on the Judiciary.

719. By the SPEAKER: Petition of the deputy clerk, Board of Supervisors, Buffalo, N. Y., requesting an increase in the social security benefits payable to those entitled thereto; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Marion B. Folsom, Secretary of Health, Education, and Welfare

EXTENSION OF REMARKS

OF

HON. JOHN SHERMAN COOPER

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Wednesday, July 30, 1958

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the address delivered by the senior Senator from Alabama [Mr. HILL] at a dinner held at the Cosmos Club, in this city, on Tuesday evening, July 29, 1958, honoring Secretary Marion B. Folsom, of the Department of Health, Education, and Welfare.

The address by the Senator from Alabama was an eloquent tribute to the qualities and achievements of Secretary Folsom.

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

ADDRESS BY SENATOR LISTER HILL AT DINNER HONORING SECRETARY MARION FOLSOM, OF HEALTH, EDUCATION, AND WELFARE, COSMOS CLUB, JULY 29, 1958

Mr. Chairman and friends of Marion Folsom, during my years in Congress, and more recently as chairman of the Senate Committee on Labor and Public Welfare, I have had the privilege of working for the accomplishment of common objectives with many men and women from private business, from the professions, from the executive branch of Government. During these years I have found Marion Folsom unequaled in his capacity and his will to work in harness with the legislative branch for the solution of a common problem. Always he has brought to the executive-legislative relationship the love of fact, the sincere desire for a constructive solution, the devotion to the public interest that has been so productive and so fruitful for the American people.

I like to think that one reason for this human approach to governmental problems lies in Marion Folsom's birthright—in his beginnings in the South. For so many of our problems in social security, in health and education and public welfare, are still more urgent in the South than in some other sections of the Nation. We recall that Marion Folsom was born in McRae, Ga., the birthplace of that renowned Georgian, Eugene Talmadge, famous for his red galluses. Now, I do not know whether Marion Folsom wears red galluses. But he is so human that I have often felt that our honored guest still has a little of that red Georgia clay between his toes. Need I say that it's a long road from that little Georgia village to a place in the Nation's Capital as the head of a great Department of our Government and a member of the Cabinet of the President of the United States.

Long ago, it was written, "Where there is no vision, the people perish." Marion Folsom is a man of vision. For more than 30 years—in service to forward-looking American business, in service to his Government and to the people of the Nation—he has looked to the far horizons, he has been a man ahead of his time.

He has seen emerging social needs before the needs have been generally apparent. And he has been a pioneer in the development of social programs to meet those needs.

He was one of the chief architects of the original Social Security Act in 1934, as a member of President Roosevelt's Advisory Council on Economic Security. But even then he was already a veteran in social programs. For he had developed in 1928 the trail-blazing plan of life insurance, retirement and disability benefits for employees of Eastman Kodak Co.

Here is a man who divines coming events and steps forward to serve before the time of need. Even before World War II he had become a member of the National Advisory Defense Commission, and during the war he served as a manpower executive. He was a leader in preparing the Nation for the postwar period—as organizer of the Committee for Economic Development, the business group concerned with a dynamic national economy. He served in this period as the adviser to the House Committee on Postwar Economic Planning and Policy, and as the adviser to the Senate Finance Committee on postwar need for changes in social legislation.

When the Communist world moved from cold war to hot far in Korea, he was already laying out the plans and the stratagems of the National Advisory Board for Mobilization Policy.

Later, as Under Secretary of the Treasury, although deeply involved in complete revision of the tax laws for the first time in 79 years, Marion Folsom looked again to the future. He saw the rising United States population among the aged. He brought his experience, his knowledge, and his vision to the aid of the Department of Health, Education, and Welfare in developing a program of extended coverage and liberalization of benefits in old-age and survivors insurance.

I have worked closely with Marion Folsom in recent years, since he became Secretary of Health, Education, and Welfare, and we know of his splendid efforts for improving the health of our people, advancing the cause of education, and strengthening the programs for crippled children and maternal care, for vocational rehabilitation and the blind, for the great programs for social welfare.

I do not doubt that as America looks to new social problems, to new areas of human needs and human concerns among our people, we shall again find Marion Folsom in the vanguard.

When we consider the great needs in international health and medicine—the need for assistance, care, and guidance to the peoples of the underdeveloped nations, the need for a vigorous new thrust forward in international medical research—I am convinced that America in furtherance of our foreign policy and in fulfillment of our Christian ideals and obligations must play

her part. When the time comes I shall be looking forward, Marion, to your return among us here in Washington. I shall be looking forward to your advice and guidance, your humane sympathy and understanding, your informed and tested wisdom.

Throughout your years of devoted service, you have been ahead of the trend. You have foreseen the changing times. You have anticipated the people's need. And done much to shape the pattern for fulfillment of their need and to build the strength of our Nation.

You have been ever the man of vision, with the courage to move promptly, the wisdom to act constructively, the humanity and the patriotism to serve without partisan ties. This is the peculiar setting of your genius. We pay tribute to you—the builder, the patriot, the prophet, the great American.

Depreciation of Production Machinery

EXTENSION OF REMARKS
OF
HON. DAVID S. DENNISON, JR.
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 30, 1958

Mr. DENNISON. Mr. Speaker, I have just introduced a bill, H. R. 13592, providing that production machinery acquired during 1958 and 1959 and used in a trade or business may be depreciated over a 5-year period. The bill itself does not need a great deal of explanation. It is an attempt to encourage increased use and investment in new production machinery at a time when there has been a decline in spending for capital goods. Greater than this, it attempts to meet the key problem of obsolescence in our rapidly changing technological era. Today many production machines depreciate through obsolescence created by new technological developments at a much greater rate than the regulations of the Internal Revenue Department permit and in many cases arbitrary and unrealistic depreciation schedules prevent the legitimate growth of business and the resulting expansion of job opportunities for many people.

This bill gives the option to the owner of machinery purchased in 1958 and 1959 to decide the rate of depreciation to be applied to such machinery. If shops are given the privilege of using a realistic depreciation schedule they can plan their replacement needs. The result will be to encourage the purchase of new equipment as soon as the old becomes obsolete.

Similar provisions as those contained in my bill were adopted in 1940 and 1950 for the express purpose of encouraging production. The results are well known. Production was encouraged, income increased and job opportunities became more available.

The ever present threat of inflation is very likely to be with us in the years to come. In any successful business, the cost of old machinery must be recovered before the replacement price becomes prohibitive. If this cannot be done, no business can reasonably be expected to hold its own, to say nothing of progressing. This bill attempts to meet the threat of inflation without depriving the Government of needed revenues. The taxpayer is always permitted to deduct the cost of capital equipment. The only problem is over what period of time. This period should by all means be a realistic one.

I strongly urge that the Ways and Means Committee, to which this bill has been referred, give this measure immediate consideration.

Water Diversion

EXTENSION OF REMARKS
OF
HON. VICTOR A. KNOX
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 30, 1958

Mr. KNOX. Mr. Speaker, at the present time the Senate Public Works Committee is holding hearings on the very serious matter of diverting water from Lake Michigan into the Chicago Drainage Canal.

Under unanimous consent, I include in my remarks a statement I made before the Senate committee on Monday, July 28, 1958. The statement follows:

STATEMENT OF CONGRESSMAN VICTOR A. KNOX, REPUBLICAN, OF MICHIGAN, SENATE PUBLIC WORKS COMMITTEE, JULY 28, 1958

Mr. Chairman, I appreciate this opportunity to appear before the Senate Public Works Committee this morning in order that I may express my views relative to water-diversion legislation.

I am opposed to this legislation. Our Government has a treaty with the Canadian Government which sets up an International Joint Commission with full authority to control the water levels of the Great Lakes. These controls are determined by a series of gages in Lake Superior. When water falls below a certain level known as the curved rule, the flow is cut back in order to maintain proper levels for shipping purposes.

The 11th Congressional District of Michigan, which I represent, alone has approximately 1,000 miles of shore line. My people are greatly concerned over this legislation and what it would do if it were enacted into law.

In March of 1957 the curbstone rule used to determine the water level of Lake Superior, and which may I stress is the natural area of feeding the lower lakes, had gone to a point where it was necessary for the International Joint Commission to cut off 10,000 cubic feet per second of water from Lake Superior into the St. Marys River and then on down to Lake Michigan and Lake Huron. This disrupted the industry in my District. In Sault Ste. Marie, my home town, the Union Carbide Co. has a contract with the Federal Government for 28,000 cubic feet per second of water for the turning of their turbines in order to furnish the necessary power for company operations.

This cutoff also affected the Federal power plant at the Soo Rapids. They had to discontinue what they call No. 10 unit because of the low water levels in Lake Superior and this powerplant furnishes the power for the operation of the Soo Locks.

To me it would be disastrous at this time to enact legislation that would divert water from the Great Lakes area into the Chicago drainage canal. As far as the Chicago drainage canal is concerned, it has been said that they are going to use it for flushing purposes. That may be true to some degree; but—if we are going to be consistent in legislation which we have passed whereby we have appropriated millions of dollars to assist in the construction of sewage-disposal plants—for what purpose? To clean up our streams, our lakes and our rivers. So why should we start to divert water for flushing purposes? In my opinion, I think it is about time that all of the States along the Great Lakes and connecting waters should take advantage of the legislation that Congress has enacted, and get their houses in order and stop the pollution of the streams, rivers, and lakes of our Nation.

Lake Michigan, as are the other lakes, is part of a complicated drainage basin which affects the welfare of 7 States and 2 nations. No change should be made in the operation of the basin without due and careful consideration of the interests of all parties concerned.

I have been going back to my District much this session of Congress, and have seen the low levels especially of Lakes Superior, Michigan, and Huron. All the levels of the lakes have dropped in the last 4 years, and I am told there has been a 3-foot drop alone in Lake Michigan. A diversion of additional water from Lake Michigan to the Chicago drainage canal would directly affect this drop of 3 feet.

The effect of this legislation also brings up some other very serious problems, and I refer especially to the question of the St. Lawrence Seaway. Any diversion of water would have a tendency to lower the water levels in the connecting channels of the Great Lakes, which would require additional dredging at a great cost to the Federal Government in order to have the 27 feet that is required under the law.

Many cities in my District have contacted me opposing the diversion of Great Lakes water into the Chicago drainage canal. I can see why the people of the Chicago drainage canal area are greatly interested in the diversion because of the sanitation question that is involved. But to take an additional 2,000, 3,000, or 5,000 cubic feet per second from the Great Lakes would greatly aggravate the grave conditions that already exist.

Do we want to continue to divert these waters so we will have to appropriate additional funds in order that we may be able to maintain the 27-foot depth of the seaway?

In addition, I have many harbors in my District, and we are having difficulty in all the harbors along the shores of the lakes. There once again we would be called upon to appropriate funds for the deepening of these harbors so the ships may be able to get into the harbors to load or unload.

I must oppose the legislation and ask that you give serious thought and consideration to the many additional problems that will face us if we divert the waters of Lake Michigan to the advantage of a single community, and without regard to the interests of all others concerned.

Thank you.

Death of Dr. R. T. Wells

EXTENSION OF REMARKS
OF
HON. ROBERT A. EVERETT
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 30, 1958

Mr. EVERETT. Mr. Speaker, on June 15, Murray State College, the State of Kentucky, and the Nation lost a great citizen when Dr. Rainey Thornton Wells passed away. I had the good fortune to attend Murray State College while Dr.

Wells was president, during the years of the great depression. I know that today there are many alumni of Murray, such as myself, who would never have remained in college during those trying times had it not been for the leadership, enthusiasm, spirit, courage, and inspiration of Dr. Wells. As an outstanding politician of the Blue Grass State, Dr. Wells was responsible for the location of the college at Murray; as an outstanding citizen he headed a drive to raise $100,000 to meet the city's end of the bargain and as an outstanding educator he was second president of the college from 1926 to 1933. Under leave to extend my remarks, Mr. Speaker, I request that my remarks of deep feeling of gratitude and friendship for Dr. Wells be made a part of the RECORD.

Oil Imports and the New Trade Agreements Act

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 30, 1958

Mr. VURSELL. Mr. Speaker, the domestic oil industry is still suffering from excessive oil imports. At a time when the domestic industry should be expanding its exploratory and development activities, the reverse is true. Overall drilling operations for the Nation as a whole are down 10 or 12 percent. Wildcat drilling, the forerunner of new oil reserves, is down some 20 percent. Production during the first half of this year likewise is down some 10 percent below last year.

These trends are a warning of real danger ahead if the domestic industry is to be looked upon, as in the past, as an assured source of supply for all needs, including an expanding economy as well as emergency requirements.

For the past year, the administration has been endeavoring to correct this situation. Under the defense amendment of the Trade Agreements Extension Act of 1955, the President inaugurated the present voluntary program to limit imports. Some good has been accomplished. The continuing deterioration of the domestic industry makes it clear that further action is needed.

The recently enacted Trade Agreements Extension Act of 1958 gives further guidance and direction to the President with respect to this oil import problem. The new amendments to the defense amendment spell out through specific guidelines and definite standards the intent of Congress with respect to importations of any commodity into this country which threaten the national security.

Mr. Speaker, under this new authority, the President and other administration officials concerned have the responsibility to adjust the present oil import program so as to bring it into conformance with the new law. Under this new authority, the President has ample authority to reduce imports to levels which will permit the domestic industry to carry on a program of exploration and development adequate to serve the national security and a growing economy.

I urge the President to review the program to this end. I am confident that he will do so and that further early action will be taken to reduce oil imports.

The new law is specific and definite. For the first time, Congress wrote into the law that derivatives or products of an article such as crude oil must also be considered if imports of the basic article are such as to threaten the national security. I believe this provision of the new law requires that the President now take action to bring oil products within the import limitation program.

The necessity for early action to limit imports of oil products is obvious. Under the voluntary program, crude oil imports have been substantially reduced under the peak levels reached this time last year. But oil products, which have not been within the program, have increased at an alarming rate and have offset the gain made in reducing crude oil imports. In 1954, total product imports were less than 400,000 barrels daily, amounting to about 6 percent of domestic production. During the first 6 months of this year, product imports averaged almost 650,000 barrels daily, amounting to 10 percent of domestic production. Product imports not only displace the domestic oil producer, but they likewise displace the domestic oil refiner and the domestic laborer who works in a refinery.

Most important, the new law contains specific standards to guide the Director of the Office of Defense Mobilization and the President in determining the level of imports that endangers the national security. Primary among these standards is requirements of growth of the industry involved necessary to provide for the national security. In determining whether or not an industry is growing adequately the President and the Director must consider the investment, exploration, and development necessary to assure such growth. In addition, they are required to consider the impact of imports upon the economic welfare and condition of the domestic industry concerned.

IT'S TIME TO ACT

The record of decline rather than growth on the part of the domestic oil industry during the past 2 years makes it clear that further action to limit imports is now necessary under this new provision of law. The intent of Congress in this regard was made definite and unmistakably clear in both the House and the Senate. When this matter was before the House, Congressman MILLS, chairman of the Ways and Means Committee, had this to say:

> If drilling and exploration activities do not reach a satisfactory level, then under this provision, the President or his designate would have the responsibility of reevaluating existing programs for the regulation and control of imports to see that they meet the requirements of the new standards in the committee bill.

I believe the administration is fully cognizant of the full meaning of the new law. This is borne out by the testimony of Secretary of State Dulles before the Senate Finance Committee. At that time the above statement of Congressman MILLS was presented to the Secretary and he was asked if he agreed with that statement. He answered in the affirmative. In view of the legislative history together with the expressed understanding of Secretary Dulles, I am confident that the administration will act to carry out the purpose of this provision.

Mr. Speaker, as I have stated, the present voluntary program has brought about a substantial reduction in crude-oil imports. Despite this accomplishment, because of the drastic reduction in domestic production, imports of crude oil as well as products continue in my opinion to be excessive. The President's Cabinet Committee in 1955 found that the ratio of imports to domestic production that existed during the year 1954 was the maximum safe level from the standpoint of national security. I believe that experience since then fully confirms the soundness of this finding. Imports since 1955 have continued to exceed the 1954 ratio and during this time operations of the domestic industry have declined to a serious and dangerous degree. It seems to me that this experience is persuasive in leading to the conclusion that imports, both crude oil and products, should now be limited to the 1954 ratio.

It is hoped those in the executive department will take quick and effective action to carry out the intent of Congress and give the domestic oil industry the additional protection it needs to regain its No. 1 place in the economy and defense of our Nation.

Election Returns From Arkansas

EXTENSION OF REMARKS
OF
HON. WATKINS M. ABBITT
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 30, 1958

Mr. ABBITT. Mr. Speaker, millions of Americans rejoiced at the election returns from Arkansas. These returns were a resounding victory for those of us who believe in constitutional government. It demonstrates once again that all Americans believe in and are willing to stand up for the rights and privileges of our people and the sovereignty of our States. It further demonstrates that the American people, when they realize what is at stake, resent the encroachment on their rights by any arm of the Federal Government. It is also a clear substantiation that in Arkansas the people realize what is about to happen to them unless they take the necessary action to prevent their being gobbled up by an all-powerful Federal Government.

I am convinced that the people of Virginia would react the same way under the same circumstances. I believe the election results in Arkansas are a fair

indication of the feeling of the vast majority of the people of the Nation. Certainly all of those who believe in constitutional government. It is a repudiation of the Little Rock episode when the Chief Executive usurped and abrogated unto himself the power and authority that never was delegated to him under the Constitution or by the Congress.

Philippine Gratitude

EXTENSION OF REMARKS
OF

HON. JOSEPH W. MARTIN, JR.

OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 30, 1958

Mr. MARTIN. Mr. Speaker, state visitors come and go, but it is important that we record in this House what I consider a good example of gratitude from one of our recent visiting dignitaries.

When President Carlos P. Garcia, of the Philippines, returned to his homeland, upon his arrival at the Manila Airport where he was greeted by thousands of his fellow countrymen as a returning hero, he made a speech in which he expressed his deep appreciation and that of his people for the warm welcome that we gave him here.

Under leave of the House, I include his address in my remarks:

My fellow countrymen, my heart is full and words cannot adequately express my appreciation and that of Mrs. Garcia for this warm welcome. I return to you today from a strenuous 2 weeks in the United States where I scarcely had a minute to myself. I am happy to report to you that I carried out my hour-to-hour schedule without a hitch and that the American people showered us with kindnesses and tendered us hospitality that have moved me deeply. I do not have to tell you that the cordiality of their welcome was not so much for me as a person as it was for our people for whom they have real affection.

I understand I am in tomorrow's program for an address in which I expect to make my Fourth of July speech and report on the result of my mission. Suffice it for me to say now that our people have every reason to rejoice that we have a true friend in the United States and that there is respect and gratitude in the American heart for our contributions to the cause of freedom and democracy. President Eisenhower made patent to me his sincere friendship for me and a sympathetic understanding of our problems. The leaders of the United States Congress of both parties are true and tested friends of our people. The Congress itself heard my appeal with sincere sympathy and hearty regard. The manifestations of love and affection on the part of the American people towards us are more than I can describe in words.

The words Home Sweet Home are never more meaningful than when you go abroad and upon returning you are greeted as we are greeted today with this demonstration of your regard and affection. With gratitude in my heart to America and with a greater determination to dedicate myself to the service to our people, I return to our beloved Philippines happy to report to you: mission accomplished. To you all, our heartfelt thanks—Mrs. Garcia and mine—for this very warm and enthusiastic reception.

It is not always that we get such sincere expression of gratitude from those who visit us. It seems to be typical of the Filipino people that they should be so thoughtful and considerate and that they never fail in showing their courtesy and gentility. We Americans appreciate such thoughtfulness and courtesy and it makes us all the prouder to have the Filipinos as our friends and allies.

President Garcia left the United States after having rendered American-Philippine friendship a real service. His public pronouncements here were all well received by the American people. His was, indeed, a successful mission. We are happy he came and his people and ours are really the richer for his having visited us.

The communique that President Eisenhower signed jointly with President Garcia shows unequivocally the eminent position that the Philippines occupies in American official evaluation. Because it is an important document bearing on the relations between our two countries and because it is a state paper of far-reaching significance in our foreign relations, I include it in my remarks.

Following is the full text of a joint statement issued by President Garcia and President Eisenhower at 7:30 a. m., Friday, June 20, at the conclusion of the Philippine Chief Executive's 3-day visit in Washington, D. C.:

The President of the United States and the President of the Republic of the Philippines today concluded the valuable discussions they have held over the past few days on matters of interest to both countries. These talks centered chiefly on United States-Philippines relations, but they also included an exchange of views on matters of international significance to both countries with special emphasis on Asia.

During his 3-day visit President Garcia addressed a joint meeting of both Houses of the Congress, and he and members of his party conferred with the Vice President, the Secretary of State, individual Members of Congress, and other United States Government officials. After leaving Washington, President Garcia will visit other parts of the United States and will meet governmental, cultural, and business leaders.

I

The two Presidents reviewed the long history of friendship and cooperation between their countries and they expressed confidence that their respective people will continue to benefit from this close association in the future. Moreover, they recognized that similar cooperation among the nations of the Free World had been effective in recent years, in preventing overt aggression in the Far East and elsewhere in the world. The two Presidents pledged themselves to maintain the unity of strength and purpose between their countries and the other countries of the western Pacific in order to meet any threats to peace and security that may arise.

The two Presidents reaffirmed their adherence to the principles and purposes of the United Nations Charter. They recognized that through dedication to that Charter the nations of the world can progress toward the attainment of the universal ideal of peace with justice based on the dignity of the individual. With this objective they will continue to support and encourage the activities of the United Nations organization.

They noted that great progress has been achieved under SEATO in the strengthening of the Free World's defenses against Communist imperialism in Southeast Asia. They concurred that in the light of the continued threat of Communist military power in Asia, SEATO's defensive capability must be carefully maintained. Toward this end the United States will continue to assist in the development of the Armed Forces of the Philippines, in accordance with mutual-security programs jointly approved with the Republic of the Philippines.

They reviewed, in this connection, the important role played by the Mutual Defense Pact between the Philippines and the United States. They agreed that the aggressive intention and activities of communism in the Far East and in Southeast Asia render the maintenance and strengthening of these defensive arrangements an absolute necessity. President Eisenhower made clear that, in accordance with these existing alliances and the deployments and dispositions thereunder, any armed attack against the Philippines would involve an attack against United States forces stationed there and against the United States and would instantly be repelled.

In the spirit of these alliances, and with particular reference to the problems affecting the military bases operated by the United States in the Philippines, they expressed mutual confidence that these questions would be resolved to the satisfaction of the two countries, having regard to the principle of sovereign equality and the vital requirements of an effective common defense.

II

The two Presidents reviewed progress toward economic development made in the Philippines over the past several years and examined the current economic problems with which that nation is faced. Economic discussions were also held between Philippine officials and representatives of the State and Treasury Departments, the Export-Import Bank and the International Cooperation Administration. The Philippine officials outlined a long-term program for economic development. In view of the inability of the United States to anticipate accurately financial availabilities and relative requirements beyond the next 12 months, immediate emphasis was placed on meeting the initial requirements of the Philippine program.

For these initial requirements the Export-Import Bank informed the Philippine Government that it will establish a new line of credit of $75 million for financing private and public development projects in the Philippines.

The Philippine Government was also informed that, subject to Congressional action on the additional appropriations being requested, the Development Loan Fund would examine specific projects submitted to it to determine whether they would merit Development Loan Fund financing in an amount not to exceed $50 million.

III

In the course of their talks, the two presidents were deeply aware of the special significance of their meeting as the heads of state of two countries, one of which through the revolutionary process and by mutual agreement obtained its independence from the other. They realized that, in the context of present events, their meeting would provide a valuable object lesson on the relations of mutual respect and equal justice most appropriate to two countries, great or small, which share a common faith in freedom and democracy.

IV

President Eisenhower and President Garcia concluded that the understanding reached, as well as the personal relationships established during this visit, will contribute significantly to the mutual good will and friendship which traditionally support Philippines-United States relations.

C. P. GARCIA.
D. D. EISENHOWER.

Aside from the reference to the development loan which he succeeded in getting, despite the many demands upon our Government, the communique stands out from similar documents in that it underscores the unique and special relationship obtaining between the United States and the Philippines.

Two important statements have impressed me as revealing in a new way our close attachment to the Filipino people. The first one is the statement that "any armed attack against the Philippines would involve an attack against the United States and would instantly be repelled."

The other statement is more significant in that it shows that the American people are not willing to deny to others what they claim for themselves. This statement, in referring to "the problems affecting the military bases operated in the Philippines," expressed the mutual confidence of the 2 signatories that such questions would be resolved to the satisfaction of the 2 countries "having regard to the sovereign equality" of the United States and the Philippines. "Sovereign equality" are key words that the American people respect and hold as vital in their relationship with the Philippines.

Life magazine was correct when it headlined the fact that President Garcia had charmed the American people. He achieved this by his forthright utterances, his dignified mien, his statesmanlike approach to world problems. He certainly projected to the American people with his winning personality the best in Philippine life and in achieving this he showed that the expectations of the Philippine electorate in electing him as their national leader were fully justified.

In continuing Gen. Carlos P. Romulo as Philippine Ambassador to the United States, he has shown that he is not swayed by partisan politics but only by what he believes will best serve Philippine welfare, and this is another reason why he made such a favorable impression in Washington. For those of us who know Ambassador Romulo have seen the dedication and loyalty with which he has served his people, the effective leadership that he has exercised as the head of Philippine representation in this country, the persistence and determination with which he has espoused the cause of the Philippine guerrillas and veterans—and nobody knows this better than we do in Congress—and that is why he has won our admiration and respect. We who have heard his well reasoned and convincing pleas for the Philippines appreciate his effectiveness and value as Philippine spokesman in Washington and cannot but congratulate the Filipinos and President Garcia for having such an able and worthy ambassador. No country is better represented here than the Philippines.

Mr. Speaker, the United States faces grave problems in its international relations. We are confronted today by a crisis in the Middle East. There will be others in the future. Our actions will be misrepresented and our national purposes misunderstood by those bent on misrepresenting and misunderstanding us. But while we can evoke sentiments of gratitude such as that so eloquently expressed by President Garcia and while we can articulate feelings as noble as those epitomized in the communique signed by our President and the President of the Philippines, we can look to the future with calm confidence, assured that our Republic will continue to have the good will and friendship of a free and decent world.

Wage and Price Spirals Penalize Farmers

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 30, 1958

Mr. VURSELL. Mr. Speaker, I want to call attention to the great increase in the price of farm machinery due to the increase in wages of those employed in the manufacturing of farm implements—calling particular attention to the increases from 1949 to 1952, inclusive.

Mr. Speaker, for some time I have been urging the Congress to do something to check the constant rise in labor wages that has caused farm machinery to almost double in price, by pointing out the burden this has placed upon the farmers.

In the last session of Congress, and again in this session, I tried to get the leaders of the Congress in both parties to join in a united effort and stop the constant increases of wages and prices.

Mr. Speaker, the price of farm commodities from 1948 to 1952 dropped about 19 points. During this same time by strikes and threats of strikes, the wages of those in the farm machinery industry increased over 35 percent—which caused every farmer a great increase in the cost of machinery he has to buy.

This increase in cost, under the Truman administration, from 1949 to the close of 1952 was $4.6 billion; or in other words, it cost the farmers more to put in and harvest their crops in 1952 than it did in 1949, and it has cost them that extra $4.6 billion every year up to the present time.

Now, let us compare the increase in the 5 years to the farmers to put in and harvest their crop under the Eisenhower administration. Here are the facts: In 1953, total farm production expenses were $21.2 billion. For 1957 they were $22.9 billion, or an increase of 8 percent for the 5 years, or $1.7 billion as compared with an increase of $4.6 billion, or 26 percent increase—from 1949 to 1952.

Mr. Speaker, the point I am trying to make is that the labor monopoly of the CIO and affiliated organizations by constantly raising wages and forcing the price of machinery upward, that the farmers must buy, has been taking $4.6 billion a year—more than their share of the economy of this country—away from the farmers. Had this not been permitted to happen, the farmers would not have been penalized by this wage-price squeeze, and would have been fairly prosperous instead of being in a depressed state when the rest of the country was enjoying a reasonable prosperity.

If the Congress had the courage to stop this constant increase in wages, which I have advocated time and again, it would have stopped inflation which has cost the people and the Federal Government billions of dollars unnecessarily.

Washington Report

EXTENSION OF REMARKS
OF
HON. BRUCE ALGER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 30, 1958

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newsletter of July 26, 1958:

WASHINGTON REPORT
(By Congressman BRUCE ALGER, Fifth District, Texas)

JULY 26, 1958.

Public Law 480, the Agricultural Trade Development and Assistance Act, is labeled "An act to increase the consumption of United States agricultural commodities in foreign countries, to improve the foreign relations of the United States, and for other purposes." Under the program, since 1954 we have disposed of $3.9 billion surplus farm products abroad. Under this extension, an additional $1.5 billion in farm products may be sold for foreign currency; $800 million in food to be donated to friendly nations as emergency assistance; and we'll expand our donation of agricultural products abroad through nonprofit agencies and intergovernmental organizations, and here in the United States to schools, charitable institutions, and such. Here is how it works: 35 nations have received wheat, flour, feed grains, rice, cotton, tobacco, dairy products, fats, and oils. The local currencies paid us are banked on the spot abroad, in our name. We give these funds back to be used only within the country, on local projects, for purchase of military equipment from the United States, and in other incidental programs. So it is that India has received loans amounting to $545 million; Poland, $202 million; and Yugoslavia, $432 million. Yugoslavia, for example, used most of this to buy military equipment.

Criticisms aimed at the bill included (1) great extension of the purposes for which these funds may be spent abroad—as, for example, aid to educational institutions, which we'll not permit in our own country; (2) the primary purpose, that of aiding our foreign policy, is now shifted with accent on disposal of surpluses. Unwise disposal (dumping) may disrupt, not strengthen, our foreign relations; (3) the Secretary of Agriculture should be permitted to barter for strategic materials with our agricultural surpluses but not directed to do so as he is in this bill; (4) the subsidy of religious schools violates our traditional separation of church and state. To which I added: (1) Hasty consideration—Members were called upon to vote before copies of the bill and committee reports were even available; (2) this program should properly be included, and correlated with our foreign-aid program, for that is

what it really is; (3) in Yugoslavia and elsewhere, we may well be feeding and arming sworn enemies.

The Small Business Tax Relief Act of 1958 brought protests from some Members too. Aimed at helping small business by more liberal tax treatment of losses, inheritance-tax payments, and other items, the bill is open to legitimate criticism on several counts: (1) It deals altogether with corporate business when 85 percent of all small businesses are not incorporated; (2) the emphasis is on manufacturing when 80 percent of small businesses are in the service and distribution fields. It seems to me that tax revision is needed so that barriers to economic growth are removed, resulting in greater, rather than lower tax revenues. There is no such aim here. No tax cuts should be made while our Federal Government is operating at a deficit. If we're to have tax relief, it should be equitably distributed among all our citizens. This bill involves a $260-million loss in revenue. In this case, too, only 40 minutes consideration was allowed and no amendments permitted.

The Small Business Investment Act of 1958 provided the final blow in a disappointing legislative week. Should this measure become law, the Federal Government will be in the business of providing capital for businessmen. Twenty-year risk capital loans made by privately owned State chartered investment companies would be Government insured through the Small Business Administration. Even SBA head, Wendell Barnes, protested such action, stating: "This is a function for which Government is ill-conceived." My own objections include (1) insuring business loans is not the function of Federal Government; (2) Government is assuming an unbusinesslike risk, since the SBA will help only if a bank won't (thus subsidizing poor business operation); (3) who gets loans, who doesn't, and who makes the decisions. Unless everyone can get one, your competitor may be Government subsidized with your tax money. It seems to me that what businessmen, large and small, really need is a tax cut—this first requires less Government aid and spending, not more.

Correction of last week's newsletter (re H. R. 3): On the rule, of the 114 who voted against, 93 were Democrats and 21 Republicans (rather than 105 and 9, as reported). On final passage, 109 Democrats were opposed, as against 46 Republicans (not 132 and 23). Haste in counting caused this error, and I apologize. However, the argument pointed up remains unchanged.

An omnibus judgeship bill, which I supported in testimony before a judiciary subcommittee, was reported out favorably on the same day I appeared. This bill would provide three additional Federal judges in Texas, one of them in our northern district. This week, too, the independent offices appropriation passed (including funds for Dallas' Federal building site). The military construction bill included funds for the White Rock National Guard Armory, and for construction at the naval air station, and at Hensley Field.

Rehabilitation of the Injured

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 30, 1958

Mr. REED. Mr. Speaker, in the month of December 1917, during World War I, I was in Paris. Seated at the table with me was a distinguished, elderly French professor, Dr. Doleans. He was a member of the faculty at Grignon University, an ancient agricultural college. The professor asked me to visit the university. What I saw there was a revelation in the field of humanitarian work. Instead of the usual student body, the college was engaged in the rehabilitation of her crippled soldiers. There were men with loss of arms, hands, legs, and the blind. I saw the blind being led to the chapel to hear inspiring music, by elderly men who had been blind all their life, who were telling the blind boys the compensations of the spirit in being blind.

These injured boys, all with heroic war records, were being trained in some vocation to enable them to return to their respective communities and be able to be gainfully employed, not a public charge.

In 1918, I was elected to the United States House of Representatives and thereafter appointed a member of the Committee on Education. It was there that I presented my experience in the French rehabilitation service. From this small beginning our Federal rehabilitation legislation was established. Hon. William Bankhead, of Alabama, and I labored throughout the years in urging the expansion of this humanitarian service.

It is a pleasure for me to insert as a part of my remarks what has been accomplished over the years in restoring our unfortunate citizens to useful, productive, gainful occupation:

Number of persons rehabilitated during each fiscal year and number of persons in process of rehabilitation at end of each fiscal year, 1921–27

Fiscal year ended June 30	Number rehabilitated	Number in process at end of year
1921	523	3,062
1922	1,898	9,966
1923	4,530	15,515
1924	5,654	13,044
1925	5,825	12,727
1926	5,604	13,606
1927	5,092	16,148
1928	5,012	16,393
1929	4,645	16,823
1930	4,605	20,561
1931	5,184	23,937
1932	5,592	27,666
1933	5,613	30,619
1934	8,062	37,681
1935	9,422	40,941
1936	10,338	41,726
1937	11,091	42,055
1938	9,844	47,843
1939	10,747	46,750
1940	11,890	47,174
1941	14,579	50,513
1942	21,757	55,149
1943	42,618	64,823
1944	43,997	74,224
1945	41,925	89,416
1946	36,106	101,451
1947	43,880	102,706
1948	53,131	117,795
1949	58,020	133,715
1950	59,597	140,941
1951	66,193	139,568
1952	63,632	137,452
1953	61,308	133,174
1954	55,825	126,770
1955	57,981	127,573
1956	65,640	134,457
1957	70,940	144,589

Source: Annual Statistical Reports. Prepared by Division of Program Statistics and Special Studies Office of Vocational Rehabilitation.

It is a source of great satisfaction to know that our leading industrialists are cooperating magnificently in this great work. They find that the rehabilitated persons have fewer sick leaves, less absenteeism than the physically sound employees.

The retrained persons are performing the most technical tasks with all the skill and precision of the physically and mentally sound.

A Grim Warning to the American People

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 30, 1958

Mr. ANFUSO. Mr. Speaker, the New York Daily News of July 29, 1958, in its column entitled "Capital Circus," by Jerry Greene, refers to a report compiled some 3 years ago which contains a grim warning to the American people—but nothing has ever been done in the matter. It is a report of the Civil Defense Foods Advisory Committee of the National Academy of Sciences and the National Research Council in which our people are warned against the possibility of the poisoning of our food supplies by saboteurs.

Just about a year ago, on July 17, 1957, the subcommittee of which I have the honor to be the chairman—Consumers Study Subcommittee of the House Committee on Agriculture—issued a brief report on studies conducted by our subcommittee in which similar warnings are contained. This is a very serious matter and it is time we deal with it in a very serious manner. Our negligence now may mean tremendous loss of life and property in the future.

In the hope of reviving interest in this matter, I am inserting Mr. Greene's article into the RECORD, as well as the report of my subcommittee entitled "Food for Civilian Survival in the Event of War," and I commend them to the attention of my colleagues:

[From the New York Daily News of July 29, 1958]

CAPITAL CIRCUS

(By Jerry Greene)

WASHINGTON, JULY 28.—For 3 years now the Government has kept from the American people through negligence a vital report which says that one saboteur could kill off 500,000 of us in 1 day's work.

Maj. Gen. William M. Creasy, Army chief chemical officer, has been warning the taxpayers of such perils for some time, but nobody seems to listen, outside of a handful of technical experts.

The report was compiled by the Civil Defense Foods Advisory Committee of the National Academy of Sciences-National Research Council and was issued in November 1955.

This committee was headed by Roy C. Newton of Swift & Co. and included a list of top-flight executives and scientists. They worked long and hard and they turned out a handsomely bound 167-page volume. It spells out how most of the United States population could be killed by homemade poison in the hands of about 100 spies.

Unlike the suppressed Gaither Report about Russian and United States arma-

ments—which scared a lot of people by indirection—there was nothing at all classified about the Newton committee findings.

The simple truth is that nobody paid any attention. The Government was not even sufficiently impressed to announce publication of the document, despite its frightful warnings. Nor was there a single press agent handout describing these matters.

The report contained some very pointed conclusions and recommendations. They were directed to the Food and Drug Administration of the Department of Health, Education, and Welfare.

We called the FDA today, after a careful study of this document, and asked what had been done about it in these 3 years, in view of the importance of the matter and the prominence of the people involved.

"Nothing," the spokesman said. "We just haven't had any money."

Here's one sample of how the businessmen and scientists tried 3 years ago to warn of what might be expected:

"During the past 15 years many new toxic chemical substances have been discovered. Some display such extreme toxic potency as to render them likely agents for sabotage usage.

SABOTEUR COULD MAKE THE STUFF AT HOME

"It must be considered possible for a saboteur to make enough of such poison in his home to do great damage in a food in which it is compatible.

"If he had access to a food plant with wide distribution, he could easily conceal a sufficient quantity of the toxic material on his person and poison enough food in one day's activity to provide a lethal dose to 500,000 people."

The report indicated the Committee felt greatest fears over the handling of dairy products, processed meats, such as hot dogs, and beverages, including beer:

The highly unpublicized report offered this grim warning to the American public:

"As few as 100 saboteurs established previously in food plants and acting in unison could so seriously demoralize the American population that confidence in our foods would be lost. Unless some proper organization is set up in advance to handle this type of emergency, the effect on morale could be devastating."

These are very grim words, and there are worse in the report.

REMEMBER HOOVER'S WARNING

Take a deep breath and remember the J. Edgar Hoover statement that there are 25,000 hard-core commies abroad in the United States. Match that up with the statement of this wholly nonpolitical committee that the Reds need only 100 selected agents to put us all out of action for keeps, with no need of nuclear weapons.

The Committee disclosed top-secret intelligence without meaning to do so when it announced that the basement operator is now able to come up with the equivalent of the dread nerve gases by spending a few hours around his kitchen sink.

There was a warning against attack "with toxic chemicals which can be manufactured readily in 1-to-10 pound batches with a minimum of laboratory equipment and with easily obtainable starting materials."

Study the report and it adds up to this: Pour a few drops of bug juice into the salami and hotdog mixing vats and, brother, have the proletarians had it.

Everybody in the food and drug business has been thinking about the problem, the report says, but "very little work has been done nationally to set up a defense against the threat of CBR (chemical-bacteriological-radiological) attack and we find that adequate plans for such a defense are lacking."

SEE OVEREMPHASIS ON H-BOMB THREAT

There has been, the Committee said, an overemphasis on the part of the Government on the "horrors of the H-bomb, leading to a feeling of hopelessness in developing an adequate defense."

There, in black and white, in an official report, is the answer. Pompous Harold Stassen, even today closeted with a busy President, didn't get anybody to agree to disarm. But in all of his disarmament talks, long and loud and costly to taxpayers, we heard no mention of germs and gas.

And if, as this worthy commission notes officially, one rat coming out of a basement can kill off 500,000 people in a day's work, such matters should be worthy of consideration. Even at the summit.

FOOD FOR CIVILIAN SURVIVAL IN EVENT OF WAR

(Interim report of the Consumers Study Subcommittee of the Committee on Agriculture, House of Representatives, 85th Congress, 1st session, July 17, 1957)

In the event of nuclear war the United States is utterly without a plan to immediately feed its civilian population, including its Territories and possessions. Moreover, there is no design in being for immediate availability of food for our allies.

This constitutes perhaps the weakest link in the chain of defense planning, within America's boundaries, and in concert with other nations of the Free World.

The subcommittee is aware of the many important civil-defense studies and programs which are in process or have been completed. It recognizes that at the Federal level very good work has been done in developing civilian-defense programs, and these have been carried out in cooperation with the State and Federal agencies. These programs have included emergency feeding of people evacuated from military installations and urban communities. Valuable experiences also were gained in the national alerts in 1956 and in 1957. Yet the subcommittee is forced to conclude that if war should strike tomorrow the United States would find itself without an adequate emergency food-reserve program.

The Federal Civil Defense Act, known as Public Law 920, was enacted by the Congress in 1950. It was designed to protect "life and property in the United States from attack." It was foreseen that the attack could be "in any manner by sabotage or by the use of bombs, shellfire or atomic, radiological, chemical, bacteriological, or biological means, or other weapons or processes" (sec. 3). The act is to be administered by an administrator known as the Federal Civil Defense Administrator with power to delegate responsibility for preparing "national plans and programs" and to delegate any of these responsibilities "to the several departments and agencies of the Federal Government." There is nothing in Public Law 920 designed to sustain or protect the civilian population in any foreign country where the United States now has, or in the future will be required to have, military forces.

The Consumers Study Subcommittee was created on March 14, 1957, by Representative HAROLD D. COOLEY, chairman of the House Committee on Agriculture. One of its functions is to study and investigate the stockpiling of food for national emergencies.

REPORTS AND VIEWS ON STOCKPILING PRESENTED

On June 12 and 13, 1957, the subcommittee held hearings on food stockpiling. Witnesses appeared from the Department of Defense, Department of State, Department of the Interior, Department of Agriculture, the Office of Defense Mobilization, the National Grange, and the National Farmers Union. A representative of the Office of Civil Defense also attended these hearings.

The subcommittee finds that 7 years after the enactment of Public Law 920 there is not in being a comprehensive or otherwise adequate overall food program aimed at maintaining sufficient emergency food supplies for the civilian population in the United States, its Territories and possessions. Of deep concern to the subcommittee also is the fact that there is no plan in being to protect civilian populations in foreign territories which are part of the defense orbit of allied military operations.

The Department of Defense reported to the subcommittee that it maintains only minimum stocks of foods for the Armed Forces. Large additional quantities of food would be required for the military in the event of an attack. The Department of Defense depends upon the Department of Agriculture for assurance that the needed food supplies will be available when and where needed. Yet no plan for strategically located civilian food stocks has been developed.

The Department of Interior reported that United States Territories and possessions import from 20 to 90 percent of their food supplies from the mainland. Interruptions in ocean shipping would cut off normal food imports. For example, two of our most strategic areas, Guam and Alaska, import 90 and 80 percent, respectively, of their food supplies. Another and perhaps even more serious example is Hawaii, where the people are dependent on food imports from the United States mainland. In the event of war enemy submarines or other type of warships could isolate the islands and force the people thereon to capitulate for lack of food. Yet no plans have been developed for emergency feeding in our Territories and possessions.

The Department of State reported that our foreign policy embraces assistance to friendly countries who wish to build up reserves or strategic stockpiles of food. In some cases a part of the purchases of surplus foods under title I of Public Law 480 have been used to build more adequate food reserves, notably in India and Poland. Yet no plans have been formulated for United States cooperation with other countries in building strategic food reserves to buttress our NATO and other military alliances.

The Department of Agriculture presented to the subcommittee a detailed statement embracing explanations of what it has done in the way of formulating an overall program of food preparedness. The Department concluded its statement as follows:

"The need for stockpiling must be critically examined, and it must be clear that there is a justifiable need, and that there is no satisfactory and less costly alternative for the safety of our people, before undertaking this difficult and expensive task."

FARMERS WANT CITY POPULATIONS PROTECTED

The subcommittee was impressed by the position of the National Grange, a major farm organization, on the stockpiling of food near major centers of population. The Grange presented a statement saying in part:

"The National Grange is particularly pleased that this subcommittee is holding hearings on food stockpiling for defense. It is a subject of tremendous importance. The welfare of millions of Americans is involved and perhaps even the survival of our country in time of war.

"The National Grange favors the establishment of food reserves at strategic locations throughout the country. We consider such reserves as a matter of fundamental prudence and a basic part of national preparedness.

"As well as we have been able to learn, there is no emergency food plan in existence today. If there is one, it's a well-kept secret. * * *

"If Baltimore (as an example) were hit by an enemy missile or bomb today, several hundred thousand people from Washington—along with survivors of the Baltimore attack—would be roaming the hills and valleys of Virginia west of here by tonight or tomorrow. The Virginia counties west of here are not prepared to feed and take care

of several hundred thousand refugees from Washington and Baltimore. The food isn't there. Without food and without a plan, there would be extreme disorder, to say the least."

(Conditions would even be more chaotic in cities like New York, Boston, Pittsburgh, Los Angeles, San Francisco, and the rural areas surrounding them.)

"There could be wheat in Minnesota, corn in Illinois, and beef in Nebraska, but it might as well be a million miles away unless there is an orderly and practical plan for getting it to the hills of Virginia in time to be used. * * *

"If there ever is an attack—or even the imminent possibility of an attack—it will be the farm countryside that will bear the burden of feeding and caring for the millions of our fellow Americans who come out from the cities to stay with us during the emergency. The farmlands would become the support areas—the place where a great many Americans would catch their breath and organize for the next step in fighting back. We hope against hope that all this may never happen, but if it ever does, we think food stockpiles will be vital—and cheap at any price."

FINDINGS

The survival and safety of the civilian population are the basic responsibility of Government in times of enemy attack. This is not to say the States, private organizations, and individuals can abdicate their responsibilities.

In this respect it must be noted that in any major war the first enemy blow may be expected to fall upon concentrated civilian populations, to cripple industrial potential and in the expectation of destroying a people's will to resist.

Food is the one indispensable element in survival and morale. Its presence would be likely to lessen fear and prevent panic and terror in an evacuating population of a city.

The subcommittee finds (1) that such plans as have been devised under the Federal Civil Defense Act of 1950 are by no means sufficient in the event of an attack to take care of our American civilian population within the continental limits of the United States, its Territories and possessions; (2) that there is absolutely no plan in being to sustain or protect civilian populations of foreign countries having allied military operations or bases; and (3) that there is too much delegation of responsibility under Public Law 920.

Insufficient urgency has been attached to the planning of emergency food supplies.

We recommend that the Government move swiftly to formulate plans and gather facts to assure that emergency stocks of food commodities will be available at accessible locations as reserves against possible disaster.

We have heard testimony regarding the vital importance of adequate food supplies in strategic locations in case of military operations. We consider an adequate emergency food program both within the United States and in friendly countries a vital part of our program of national and international defense. We consider the cost of such a program as much a part of the general cost of defense as the payments made for aircraft, bombs, missiles, ships, and tanks.

This subcommittee recognizes that an emergency food program involves a number of problems, such as rotation of stocks, not encountered in other defense supply programs. None of the peculiar problems are insurmountable, however, if the technical staffs of the executive agencies are given instructions to develop remedies.

We believe there should be a relocation of food storage facilities throughout the country so that each major city will have strategic reserves in the accessible rural areas. We believe that these facilities can be planned, constructed, and operated in such a way that the food stocks can be rotated into normal trade channels and that the facilities can contribute to our ever-growing civilian needs for additional food storage.

We recommend that consideration be given to the utilization of existing underground facilities in the large metropolitan areas and the development of such new facilities which, while serving a peacetime purpose, can be used to stockpile essential food, water, and other necessities as a part of our national-defense program.

We are convinced that the departments of Government mentioned in this report recognize the necessity for an overall food program attuned to possibilities of war or other national emergency and that each department wishes to cooperate in the solution of this problem. However, we believe that this matter of strategic food stockpiling is too important and too complex to be handled entirely by any single department of Government, and that the authority created under Public Law 920 is insufficient to provide for all of the emergencies contemplated by this report.

CONCLUSION

The subcommittee finally recommends in the light of the above findings that the President give this important problem his immediate attention, that he create a new coordinating board or council from personnel of existing agencies of Government, and that he delegate to it the specific authority and responsibility of devising plans for national and international food programs deisgned (1) to protect the civilian populations in the event of attack, and (2) that this subcommittee be kept informed of the planning of said board or council in order to propose such legislation as may be necessary to make the work of said board or council more effective.

The Nation Would Be Better Served by an Early Adjournment of Congress

EXTENSION OF REMARKS
OF
HON. JOHN E. HENDERSON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 30, 1958

Mr. HENDERSON. Mr. Speaker, the dog days of Congress occur about this time of year when the Nation would be better served by an early adjournment. All sorts of legislative schemes appear and occasionally are passed when they should have been killed. A prime example, in my estimation, is the bill to provide pensions, free mailing privileges, suitable office space, and stenographic assistance for former Presidents.

With so many important measures which could be considered, I am not sure that I can agree that the session needs to be prolonged to attend to a matter of such low priority. Were we to concede that a pension for ex-Presidents would be desirable—and I do not concede it—there would seem to be no justification for the other emoluments of past office. No similar treatment has ever before been accorded a class of American citizens. No need has been demonstrated for this legislation. Neither of the living ex-Presidents are what one might call penniless and they can and have adjusted their letter writing and other literary pursuits to their own temperament and disposition. When the day comes, if it does, that we have a President or a President's widow in financial distress the Congress will act quickly, and the people will certainly support such action. Meanwhile, if Congress is to remain in session, there are bills in pigeonholes which could be brought out on the floor which would affect thousands of people in need rather than two who are not in need and who have not asked for this legislation.

Quick Adjournment Could Save Billions

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 30, 1958

Mr. VURSELL. Mr. Speaker, it would appear to me that the greatest service the Democrat leadership of the House and Senate could render to our people would be to adjourn the House and Senate as quickly as possible.

By a quick adjournment we could save the taxpayers, who are the Government, probably $6½ billion in bills now pending, none of which are necessary and much of it will be wasted, and, a constant burden on the taxpayers.

The Democrat leaders have it within their power to bring about an early adjournment and to prevent passing this spendthrift proposed legislation because they have a majority in both the House and the Senate.

On July 11, the Senate passed a second housing bill authorizing the additional expenditure of $2.4 billion of Federal funds.

Taking these two housing bills together, $1.8 billion in the earlier bill and $2.4 billion in this bill, the Senate has authorized $4.2 billion for housing this year, or almost $3 billion more than requested by the President.

In addition, the House has now pending another bill known as the Community Facilities Act, which would provide that we appropriate $2 billion to be loaned up to 50 years at 2⅝-percent interest, for the building of sewers, disposal plants, recreational facilities, parking lots—bowling alleys, and so forth—to any community or municipality in the United States. This at a time when every municipality is more able to finance their own improvements than is the Federal Government which would have to borrow this money by selling bonds to the taxpayers. There is an abundance of funds throughout the Nation that could be borrowed from private lending market at around 4 percent. This proposed legislation would entice the borrowers to come to the Government because of the low interest rate, and refuse to borrow from private sources.

In addition, Democrat leaders in the Senate are insisting upon increasing the Defense appropriation by $1.6 billion more than the President and the Secretary of Defense, and the Joint Chiefs of Staff feel is necessary, which would in-

crease the Defense budget to over $40 billion.

It would seem that with the great increase in the maximum defense budget that the President and his expert leaders in the military ought to be better judges of the amount of funds needed than the Democrat armchair strategists in the Senate.

There are 2 or 3 other bills proposed for political purposes for this election year that would also increase the budget expenditures by at least a billion and a half dollars this year, and some of this legislation, none of it needed, would fasten the Government with a program or socialistic spending that would run into billions of dollars in the years ahead.

This adds up to a neat sum of $6 billion extra burden of expense annually throughout the years ahead to the taxpayers of the Nation, and much of it will be passed if Congress remains in session.

Housing Administrator Albert M. Cole has blasted as spendthrift the housing bill to which I refer, and indicated that President Eisenhower would veto this bill if it is finally enacted. He ought to know whether such legislation is necessary. Mr. Cole said, "No more housing legislation is needed this year."

Cole called the housing bill a Christmas tree loaded for the benefit of everyone in sight except the taxpayer. The same liberal spenders behind this waste in billions of funds are the ones who have backed socialistic Federal housing throughout the years until our loss today on public housing alone will run over $5 billion, with a committed loss on the part of the Government of nearly $2 billion for urban renewal.

All of the farmers, the laborers, the little businessmen and all taxpayers in the Nation, nine-tenths of whom never receive any benefits, are taxed each year to pay the above-named losses.

I think it is unfair to the people in my district and likewise to the people in other districts who sustain their own homes and pay their own rent and high taxes to have to help pay a part of the rentals of those who occupy modern public housing in the big cities.

And it is unfair to the same taxpayers to have to help facelift and rebuild and improve the big cities hundreds of miles away with billions of dollars that should be improved by taxes from the citizens where they are located.

It is to be hoped that a quick adjournment might save a part of this proposed useless waste.

Federal Controls of Education—Words of the Past and Present

EXTENSION OF REMARKS
OF
HON. RALPH W. GWINN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 30, 1958

Mr. GWINN. Mr. Speaker, I have had the honor to serve in the Congress for 14 years. During much of that time, I have watched with growing apprehension an increasing tendency by many of our people to unload on the Federal doorstep what should be the responsibilities of the family, the local, or the State government.

One of those responsibilities is education.

For the past several years, the halls of Congress have swarmed with advocates of Federal appropriations for school construction, teachers' salaries, vocational education, guidance, scholarships, and fellowships, and student loans.

Each idea for Federal direction of education is couched in terms of an emergency. Each one is inevitably adorned in the trappings of a special situation. The pattern is consistent. We are almost literally asked to believe that the United States will decay in the likeness of ancient Rome unless a Washington bureaucracy assumes command of education.

Up to date, the Congress has resisted these flamboyant appeals in the critical field of education. It has managed to keep its head above water in a veritable flood of unthinking, unreasoning emotion.

But now, during the 2d session of the 85th Congress, there is talk and proposed legislation—H. R. 13247, National Defense Education Act of 1958—for a new Federal venture in education. Obviously a new scarecrow, another tune on that old saw, national defense.

We are deafened by variations of stale and musty arguments in behalf of this outrageous scheme.

Last year, we were asked to intrude the Federal Government into education on the grounds that there was a crisis in school construction. That was a dud. There never was such a boom in schoolroom construction. This year, we are besieged by a clamor for Federal direction of education on the grounds it is vital to national defense.

What about next year? What will be the emergency in the 86th Congress? We may be sure that the 25-year-old lobby for Federal aid will drum one up.

I shall not be with you. My stay in this Chamber nears its end. I shall watch the next Congress from the viewpoint of an average citizen and taxpayer. But I can foresee, at this moment, that the struggle to keep education free is far from ended, and now is the time to prepare for the assault against freedom that is bound to come in 1959.

The possibility of Federal control of education cannot escape us when we see how many Federal programs incubate and seldom die. It is not enough to insert a line or paragraph in any bill which states that the Federal Government shall not control education, regardless of the Federal funds allotted to the purpose. No such inclusion is a guaranty. We must bear in mind the blunt fact that wherever there is Federal appropriation, there must be Federal control.

Do we want a central education agency? May God forbid. It is the future and not alone the present we must think about. What assurance can we have against the possibility of some future administration that would seek to conform our youth to its particular way of thinking? There is an old saying that powers lodged in some hands will be respected, but if the same powers are inherited by other hands, they can be destructive.

I have brought together for your files and for your possible guidance in the years ahead a number of quotations on the subject of Federal intervention in education. Some of the statements were made several years ago—and the authors today are in sharp variance with their expressed viewpoints of the past. Other statements are as new as last week.

These quotations may be ammunition for my colleagues on both sides of the aisle who are determined that education shall not suffer from bondage to the Federal Government. The classroom must remain a lasting evidence of our devotion to the principle of liberty.

Mr. Speaker, the following quotations require no further explanation. They tell their own story.

QUOTES OF THE PAST AND PRESENT ON FEDERAL AID

Dwight D. Eisenhower, 1949: "I would flatly oppose any grant by the Federal Government to all States in the Union for educational purposes. Such a policy would create an ambition—almost a requirement—to spend money freely under the impulse of competition with other localities in the country. It would completely destroy and defeat the watchful economy that comes about through local supervision over local expenditures of local revenues." (Quoted by Ross Roy in Vital Speeches).

President Eisenhower, 1956: "Geographical balance of power is essential to our form of free society. If you take the centralizing shortcut every time something is to be done, you will perhaps sometimes get quick action. But there is no perhaps about the price you will pay for your impatience; the growth of a swollen bureaucratic monster government in Washington, in whose shadow our State and local governments will ultimately wither and die."

President's [Eisenhower] Committee on Education Beyond the High School, second report, 1958: "The Committee recommends that private, local, and State sources increase their support of scholarship funds to several times the present amount and number of scholarships. The Committee believes that, insofar as assistance by the Federal Government is concerned, it should not at the present time, in the light of the considerations presented earlier in this chapter, undertake to provide new scholarships (other than work-study) for undergraduate students."

John Foster Dulles, December 28, 1949: "The Federal Government is no independent source of funds. It has to get what it gives. Whatever money it spends for education must be taken away from local communities—from individuals. Why not leave the responsibility with them, where the money is and where the responsibility is normally the deepest and most conscientious?

"We can be confident that educational responsibilities will generally be discharged at the local level if Federal taxes permit and if we get over the illusion that Federal aid is a financially painless operation. Then our children will get education that is guided by parental and religious care rather than by remote control. And they will be kept beyond the grasp of any who, in the future, might win national power and feel that education ought to conform our youth to their particular way of thinking."

Marion B. Folsom, Secretary, Health, Education, and Welfare, December 1957: "The training of young minds is one of the most powerful forces known to civilization. In the wrong hands—in the hands of ruthless men bent on world domination—education can become a dangerous thing."

Treasury Secretary Humphrey, June 1957: "More elementary and secondary school bonds were sold than in any 9-month period in our history. * * * In the past 4 years $8.8 billion has been spent for school construction—more than had been spent in the preceding 20 years."

Senator LYNDON JOHNSON, Democrat, of Texas, majority leader, United States Senate, 1958: "The primary direction of education should be in the hands of local government.

"On anything as highly personal as education, our people are entitled to determine the future of their children.

"This means that the school system should be handled by that branch of government which is closest to our people."

The Supreme Court of the United States, 1942, *Wickard* v. *Filburn* (317 U. S. 111–113). "It is hardly lack of due process (of law) for the Government to regulate that which it subsidizes."

Senator HARRY F. BYRD, Democrat, of Virginia, United States Senate, 1957: "We must realize that creeping paternalism of the Federal Government is just as bad as creeping socialism. The end result is the same—the destruction of the principles of free government."

John M. Stalnaker, president, March 20, 1958, National Merit Scholarship Corp.: "A large Federal program of say 40,000 scholarships would probably have as its major effect discouraging existing private and State efforts and would not significantly help able students not already being helped."

Commission on Financing Higher Education, Association of American Universities, 1952: "The strength of higher education is founded upon its freedom and upon the country's freedom, for without that freedom, its attraction to intelligence, its capacity to stimulate investigation and originality, its power to produce free men who will guide our country wisely, and serve it well, will wither. It is this freedom that must be protected if it becomes dependent upon any dominant support, no matter how beneficent or how enlightened that support may presently appear to be. Such independence will be threatened if higher education is subjected to further influence from the Federal Government * * *. In these fields (social sciences and humanities) public opinion is notoriously given to snap judgment and in them centralized control could be used to do great damage * * *. Direct Federal control would in the end produce uniformity, mediocrity, and compliance."

Enoch R. Needles, president, the Engineers Joint Council, January 1958: "To ascribe the Russian rocket and satellite lead to weakness in American technology is misleading and erroneous."

Dr. V. Raymond Edman, president, Wheaton College, 1958: "We believe that Federal scholarships, good as they may seem on the outside, can be a real handicap to the highest interests of the American people."

Henry M. Wriston, president, American Assembly and a State Department consultant, March 1958:

"The bill will smother science and education by making private support unnecessary.

"Whatever you do, my brethren, don't get a built-in dependence of science on war. When fear ends, support will evaporate."

The American Legion, policy approved in national convention, September 16–19, 1957: "The National Government should avoid interference, control or direction in educational processes of programs of the respective States, either directly or indirectly or by grants-in-aid, school construction, appropriation, curriculum or program control, or by action of any agency, branch or department of the United States Government."

Governor Daniel, of Texas, 1957: "I think this is a responsibility the States and local governments can and should bear."

Governor Daniel, of Texas, 50th annual governors' conference, May 1958: "We should preserve as much of our Government as possible as close as possible to the people * * * no nation worth its salt, was ever built from the top down * * * we need more effective work done at the State level, with enough nerve to levy the taxes to get needed work done."

Governor Clyde, of Utah, 50th annual governors' conference, May 1958: "Only in those cases where State lines interfere with effective accomplishment should we look to the the Great White Father in Washington for assistance."

Governor Simpson, of Wyoming, 1957: "Once you establish this principle, you will have sounded the death knell of independent State and local systems."

Governor Simpson, of Wyoming, 50th annual governors' conference, May 1958: "Here's my definition of Federal aid: It means we raise our taxes to send some money to Washington, then we raise more money in order to provide the matching funds. Then we raise more again to pay the brokerage tax, in order to get a fraction of the money back."

Governor Foss, of South Dakota, 50th annual governors' conference, May 1958: "No government at any level has anything to offer free."

Gov. William P. Stratton, of Illinois, 1957: "Many people feel—as I do—that there is great danger, no matter how high sounding the program may be made to appeal to the public, that our system would be damaged, perhaps beyond recovery, by having the Federal Government move into the field of education.

"We do not need Federal aid for schools in Illinois."

Governor Stratton, of Illinois, 50th annual governors' conference, May 1958: "The unity that is our Federal system relies on the strength of our States * * * in some areas of functions and services, the States can perform more effectively and better and must accept that responsibility."

Governor O'Neill, of Ohio, 50th annual governors' conference, May 1958: "There is no magic source from which the Federal Government gets the money. It must come from the taxpayers * * * now is the time to take action to resolve the unemployment problems in our own State. * * * I am opposed to borrowing from the Federal Government because it will lead to Federal interference, furthermore, our States can do the job more economically and much better * * * in the highway program we can cut Federal red-tape to permit the program to move faster."

Lt. Gov. Carroll Gartin, of Mississippi, 1957: "All districts can meet needs with State aid * * * Federal aid not needed."

Governor Chandler, of Kentucky, 50th annual governors' conference, May 1958: "There are many sins being committed in the name of education. * * * I recommend a complete overhaul of the tax structure of the Federal Government, with a view of returning some of the sources to the States."

George Bell Timmerman, Jr., Governor of South Carolina, 1957: "No one on the national level is endowed with sufficient knowledge to predetermine accurately the future needs of the whole country. The problem of public school construction is too intricate to be handled by long distance. Too many variable factors are involved in intelligent planning. These factors multiply as we move from the district level to the community level and then to the local school level. It is farcical to think that a program can be developed in Washington to meet the needs of the Nation."

Gov. Harold Handley, of Indiana, 1957: "We are providing these new classrooms twice as fast as the advocates of federalized education say we should be building them."

Governor Handley, of Indiana, July 22, 1958: "Once started, a system of federalized scholarships would never be terminated. The cost would run into the billions, and institutions now independent or State-supported would become completely subservient to the new bureaucracy in Washington which would quickly establish its self-perpetuating existence.

"Indiana wants no part of such so-called Federal aid, and it needs none. The self-sufficiency, initiative, and enterprise of the American people are national characteristics. Education problems can continue to be handled locally and individually."

Governor Handley wrote me last week that a statewide survey showed that all the high standing students needing financial help had been provided for.

Gov. James E. Folsom, of Alabama, 1957: "Federal school aid would mean they'd try to control our schools."

Gov. Thomas B. Stanley, of Virginia, 1957: "I am vigorously opposed to any Federal aid program in this field under whatever guise it may be offered. The States and localities are capable of meeting their needs at much greater economy to the taxpayer without Federal aid or intervention in building and operating their public schools."

Resolved by the Senate of the General Assembly of the State of Indiana, the House of Representatives concurring, 1957: "The Congress of the United States be and it is hereby memorialized to reject any and all efforts to obtain the passage of legislation by the terms of which money would be appropriated and made available to the States, through grants-in-aid or otherwise for school building or other purposes, which either indirectly or directly would infringe upon the rights, duties, and obligations of local and State governments or authorities to provide, supervise, and control the education of the children of this country or the accompanying educational processes."

South Carolina Legislature, 1957: "The people of South Carolina are now, always have been and shall always be unequivocally, incontrovertibly, and unalterably opposed to any Federal invasion, encroachment, or infringement of the fundamental right, obligation, and duty of the people and their local governmental authority to provide, supervise, and control the education of the children of this State or the educational processes concomitant thereon which would directly or indirectly infringe upon the rights, duties, and obligations of local or State governments."

John C. Lynn, legislative director, the American Farm Bureau Federation, March 13, 1958: Counties and communities throughout the Nation are spending unprecedented sums for new schoolroom construction, and efforts are being made to increase teachers' salaries and to improve the overall conditions of our schools. Local people understand this challenge and will meet it through local taxation without Federal assistance and without Federal controls."

Mrs. William S. Shary, president, New York Federation of Women's Clubs, April 5, 1958: "The New York State Federation of Women's Clubs * * * affirms its belief in our traditional American principles and policies of State and local support and control of, and responsibility for, education, and urges the Congress to reject provisions for Federal Aid to Education."

Mrs. Frederic A. Groves, president general, Daughters of the American Revolution, 1956: "Federal aid means Federal control. You cannot get away from the fact that he who pays the piper calls the tune."

Daughters of the American Revolution, 1957: "The National Society, Daughters of the American Revolution has continuously opposed Federal aid to education, believing such aid could lead to Government control of all public schools, thereby removing State and local control."

Dr. Cyrus W. Anderson, president, Association of American Physicians and Surgeons, Inc., April 2, 1958: "Make no mistake about it, 'one shot' Federal aid is as fantastically unrealistic as only one shot for the dope addict. And there is a mountain of evidence to prove it."

Gordon L. Calvert, July 1958, Investment Bankers Association of America: "The great success with which the needed classrooms rapidly are being provided without Federal aid, the decreasing rate of growth in public school enrollment, the large classroom construction programs presently under way and financed for the next several years (demonstrated by record sales of school bonds and approval of a high percentage of school bonds at recent bond elections) lead us to conclude that State and local educational agencies can and will provide the needed classrooms without Federal aid."

Southern States Industrial Council: "The council opposes Federal aid to education, including Federal aid to school construction."

National Association of Manufacturers: "The heart of the matter is whether the financing, direction and control of the public school system shall remain in State and local hands, close to the people and responsive to their wishes and needs, or shall eventually be transferred to a central government authority."

Dr. Brantley Watson, March 1958 Education Committee, Chamber of Commerce of the United States:

"When our entrance into the space age was dramatized last fall, State and local reaction was immediate and is still mounting. State and local boards of education are reviewing the curriculums, the methods, and the standards of their schools. In community after community, we are finding an aroused leadership insisting on higher standards both for general achievement and for graduation. Local and State legislative leaders, who are constitutionally responsible for public education, are likewise being pressed to provide ways and means to maintain effective schools.

"On the other hand, there are no studies showing that local and State leaders believe that any space age emergency in education exists, which requires Federal intervention in science education, or in guidance, or in scholarships."

SENATE

THURSDAY, JULY 31, 1958

The Senate met at 11 o'clock a. m.

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

God of our fathers and God of our salvation, Thou knowest our hearts, for from Thee no secrets are hid.

Thou seest, in spite of the worst things in us, which we despise, that in our highest hours in this convulsive day, we deeply desire to be the true servants of Thy will.

In our hearts, O Lord, we cherish the golden heritage that has been bequeathed us through the virtue and valor of those whose records within these legislative Halls have helped to make the greatness of our free land.

Inspire us, we pray, so to follow their shining example, that we, the children of their faith, may not only hold our inheritance as a precious trust, but, by our loyalty, love, and labor, may leave it with increased luster to those who, after us, shall inherit the land, bright with freedom's holy light. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, July 30, 1958, was dispensed with.

MESSAGE FROM THE PRESIDENT

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 13451) to amend section 245 of the Immigration and Nationality Act, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 13451) to amend section 245 of the Immigration and Nationality Act, and for other purposes, was read twice by its title and referred to the Committee on the Judiciary.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees and subcommittees were authorized to meet during the session of the Senate today:

Permanent Subcommittee on Investigations of the Government Operations Committee.

Committee on Finance.

Committee on Interior and Insular Affairs.

Committee on Labor and Public Welfare.

Antitrust and Monopoly Subcommittee of the Committee on the Judiciary.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

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

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

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

EXECUTIVE MESSAGE REFERRED

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

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

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. YARBOROUGH, from the Committee on Interstate and Foreign Commerce:

Everett Hutchinson, of Texas, to be Interstate Commerce Commissioner.

The PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the calendar will be stated.

INTERSTATE COMMERCE COMMISSION

The Chief Clerk read the nomination of Robert W. Minor, of Ohio, to be Interstate Commerce Commissioner for a term of 7 years.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

NOMINATION OF EVERETT HUTCHINSON TO BE AN INTERSTATE COMMERCE COMMISSIONER

Mr. JOHNSON of Texas. Mr. President, Mr. Everett Hutchinson, a member of the Interstate Commerce Commission, has been nominated for reappointment by President Eisenhower; and the nomination has been sent to the Senate. The nomination was fully considered in the Committee on Interstate and Foreign Commerce, and has received clearance by both Texas Senators. I expect the nomination to be reported to the calendar today; and I give notice that the Senate will consider the nomination tomorrow.

In passing, I should like to say that Mr. Hutchinson is one of the most dedicated and diligent public servants I have known, and I believe that his nomination will be confirmed very promptly.

Mr. YARBOROUGH. Mr. President, I wish to add my word of approval and commendation regarding the reappointment of Mr. Everett Hutchinson to be an Interstate Commerce Commissioner.

Mr. Hutchinson is a diligent public officer. I have known him personally for some 8 or 10 years. He has had wide experience in the transportation indus-